



## **ADOPTED EXECUTIVE BUDGET**

**January 1 - December 31, 2004**

**January 1 - December 31, 2005**

The cover features photos of antique airplanes which celebrate Wichita's place in 100 Years of Aviation History. The featured backdrop is the Keeper of the Plains in the foreground with view of downtown Wichita along the river.



*The mission of the City of Wichita  
is to provide efficient, high quality services  
that protect the health, safety and welfare  
of all its citizens.*

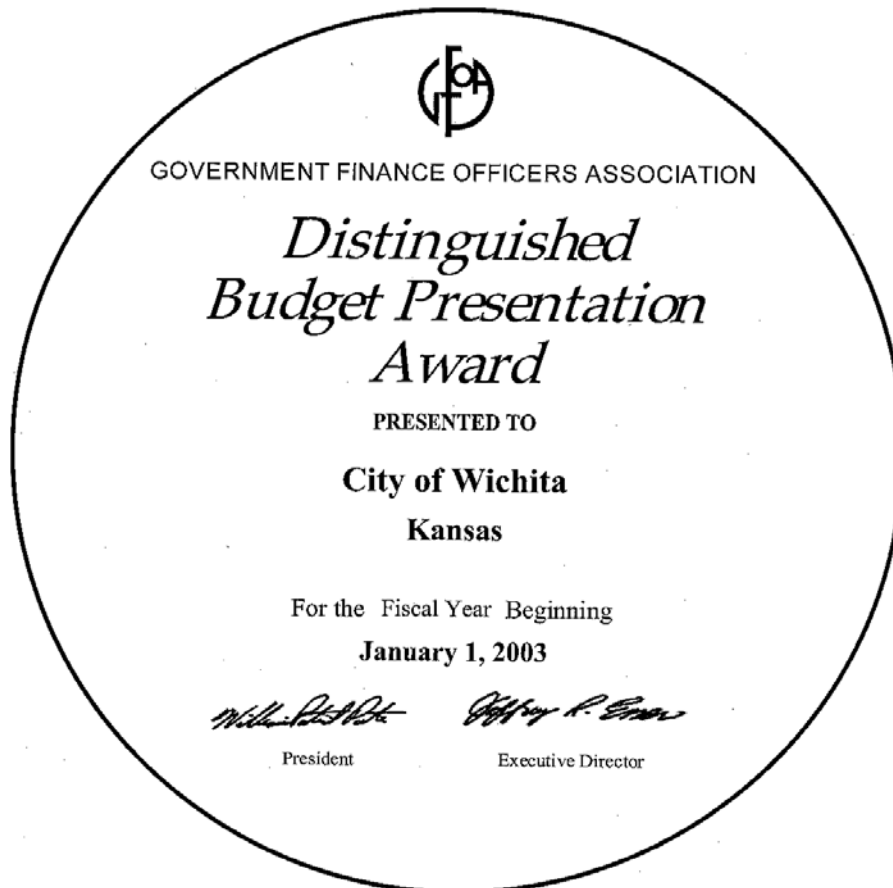
**CITY COUNCIL**

Carlos Mayans  
Sharon Fearey  
Carl Brewer  
Susan Schlapp  
Phil Lambke  
Paul Gray  
Bob Martz

Mayor  
Vice Mayor (VI)  
Council Member (I)  
Council Member (II)  
Council Member (III)  
Council Member (IV)  
Council Member (V)

## **2004 – 2005 BUDGET AT A GLANCE**

- ✓ The 2004 Budget does not require a mill levy rate increase for the tenth consecutive year.
- ✓ The total 2004 Budget (all funds) is \$367,666,960. Factoring out a one-time fluctuation in debt service costs, total expenditures are 2% lower in 2004 than 2003.
- ✓ General Fund expenditures of \$160,089,470 have been adopted for 2004, a 1% reduction over the 2003 Budget.
- ✓ The budget includes resources to fund the two new police beats permitting a rebalancing of the entire beat system so that the entire community benefits from a redistribution of Police call loads.
- ✓ To supplement fire protection, the budget includes \$1 million and 20 additional fire staff. These positions will augment apparatus staffing and provide additional resources for under-served areas of Wichita.
- ✓ Budget reductions were made in all tax-supported City operations totaling more than \$5.0 million in the General Fund, and included eliminating 56 positions.
- ✓ New revenue enhancements proposed in the General Fund total \$3.0 million.
- ✓ An employee wage and benefit package for 2004 is included that provides a 1.5% pay increase, continuation of merit pay adjustments, and continued employer funding of a health insurance package at an expected higher cost.
- ✓ All landfill post-closure costs and liabilities of \$27.7 million are fully funded.
- ✓ Operating funds are included for the two new regional libraries.
- ✓ Water and Sewer rate increases of 3% are projected in 2004 and 2005, driven primarily by capital needs for water supply and sewage treatment improvements.



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Wichita, Kansas for its annual budget for the fiscal year beginning January 1, 2003.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

**THE CITY OF WICHITA DEPARTMENT OF FINANCE HAS EARNED THE  
DISTINGUISHED BUDGET AWARD CONSISTENTLY FOR 15 YEARS.**



Volume II of this budget provides information supplemental to the presentations in this volume. The parenthetical numbers are cross referenced to the corresponding presentation in Volume II.

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2003 Budget at a Glance

Distinguished Budget Presentation Award

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Office of the City Manager  
City Hall – Thirteenth Floor  
455 North Main  
Wichita, Kansas 67202

December 1, 2003

The Honorable Mayor Carlos Mayans and  
Members of the City Council  
City of Wichita  
Wichita, Kansas

Dear Mayor and Council Members:

Wichita, its citizens and its City government, is experiencing a difficult time. The economic downturn has left many citizens unemployed. City revenues are lower. Drastic State cuts in shared revenues to cities have compounded even more the burden to provide security and other essential services at a time when service needs are even greater.

*Down, down, down.  
Would the fall never  
come to an end?*

The Budget is certainly a journey with many bumps along the way. Like Alice, from whose journeys in Wonderland

*I just wanted to ask which way I ought to go? Well, that depends on where you want to get to, replied the Cat. Oh, it really doesn't matter, said Alice, as long as I \_\_\_\_\_. Then, interposed the Cat, it really doesn't matter which way you go.*

we will look for parallels, the City must be prepared to closely examine the world around us and adapt. Unlike Alice, the direction taken in this Budget does matter. When resources are scarce, the setting of service priorities is especially crucial. A primary duty of the City Manager is to prepare and propose to the City Council an annual budget plan. Following the City Council's policy direction -- to meet the essential service needs of the public balanced with the City's ability to pay -- has been paramount in my efforts to discharge this duty. It is once again my privilege to place before this community the City Council's **Adopted 2004-2005 Budget**, a guidebook for a City moving forward in tough times.

*Where shall I begin...he asked?  
Begin at the beginning...and go  
on till you come to the end:  
then stop.*

Alice in Wonderland

## **BUDGET HIGHLIGHTS**

- The **Public Safety Initiative** continues to progress with the addition of two new Police patrol beats and construction of fire stations. Additional fire personnel for aerial apparatus staffing and a new eastside engine company are also included. New techniques will be used to sustain School Resource Officer services to high/middle schools after the loss of grant funds resulted in a reduction of officers.
- While the **Infrastructure Maintenance Initiative** lost some funding, efforts are underway to improve operations through re-organizational efforts that achieve efficiencies and economy of scale.
- The **Culture & Tourism Initiative** has moderately lower funding support for cultural attractions, but notable milestones were reached with the reopening of an expanded Art Museum; addition of two regional branch libraries; relocation of CityArts; and tourism marketing that includes the Aviation Festival.
- A **Human Resources Initiative** preserves most City jobs with few, if any, layoffs; finances health insurance cost increases at the current employer contribution level; continues merit step increases; and budgets for a 1.5% pay adjustment in 2004.
- A **balanced budget with no property tax mill levy increase** provides for annual operating expenses to be fully offset from annual operating receipts, pursuant to governing body policy direction.

## THE ADOPTED 2004-2005 CITY BUDGET *Moving Forward in Tough Times*

Wichita, along with most other cities, is faced with major budget challenges. The fiscal situation facing Wichita is multi-faceted.

*I am a poor man,  
your Majesty.*

National, state and local economies in major distress have significantly impacted City budget revenue sources. There is also increased demand for local government programs and services due to the economic recession. In 2002, City staff took note of the slow down in the local economy and declining revenues, adjusting City expenditures accordingly. Earlier in 2003, the City Council enacted a multi-million dollar reduction in budgeted programs and expenditures.

*The more there is  
of mine, the less  
there is of yours.*

Of even greater negative impact to City finances, the State has determined to resolve its budget shortfalls, in part, through the

elimination of State-shared revenues (demand transfers) to cities totaling \$6 million annually for Wichita alone. In late 2002, the Governor cut shared tax resources leaving the City operating budget out-of-balance and without the ability to recover or absorb these losses. During the 2003 Legislative Session, most demand transfers were more or less permanently eliminated, ending State support for cities that dated back to 1937 authorizations.

The scope and duration of the economic downturn, and the lateness of cuts in State-shared revenues were not foreseeable. The severity of State action in eliminating demand transfers was especially unexpected. At a time when major elements of State funding priorities were held-harmless from reductions and most State agencies experienced more modest reductions, cities lost nearly all State-shared revenue (demand transfers).

*But I don't want to go among mad people, Alice remarked. Oh, you can't help that, said the Cat: we're all mad here. I'm mad. You're mad. How do you know I'm mad? said Alice. You must be, said the Cat, or you wouldn't have come here.*

A recent Governor's assertion that this reduction to local governments only amounted to a 2% reduction was not accurate; in point of fact, cities now

must absorb, disproportionately, lower revenues due to the economic recession combined with loss of significant State aid. Under multiple administrations and in good times and bad, the State has methodically decrementally reduced its funding commitment to cities over a period of

years. Now, with the total elimination of State-shared revenues, it is apparent State government does not view funding support of municipal services as a State priority.

Faced with these realities, the City must now re-examine its fiscal situation. The prime directive remains

*Where do you come from?  
said the Red Queen. And  
where are you going?*

the same – a balanced budget (no government can long spend more annually than it receives in annual revenues). Other fiscal issues must, of necessity, be reconsidered – program/service levels, user fees for non-essential services, and taxing policies.

Budgeting is forward-looking; sound budgeting practices requires projecting likely budget revenues and expenditures based on expected conditions. The 2004 budgetary projections have the following premises:

- ▶ There will be no improvement in the local economic downturn (as it impacts City revenues) until FY2005;
- ▶ Even with an economic recovery, the City will have a lower revenue base for future revenue growth;
- ▶ State demand transfers cuts will be permanent; and
- ▶ Cash reserves will need to be maintained at a level sufficient to meet future requirements and assure rating agencies and bond markets that the City can meet future obligations.

The City will not be able to balance its 2004-2005 (General Fund) Budget without significantly reducing planned expenditures, or realizing more revenues. The downturn in the economy and State cuts in demand transfers are projected to reduce annual revenues by approximately \$8 million through 2004.

Tough times should not be a reason to suspend progress, but actually a challenge to continue transformation efforts that move the City forward. It is important

*...so many out-of-the-way  
things had happened lately,  
that Alice had begun to think  
that very few things indeed  
were really impossible.*

for the community to move forward with initiatives to offer higher quality public safety services. It is important for the community to move forward with partnerships and investments to ensure a better economic future. It is important for the community to continue support of infrastructure and quality of life. It is also important for the City to continue investing in its human resources, our City employees.

## Protecting the Public in Tough Times

*...but on the whole Alice thought it would be quite safe...*

The City's continuing commitment to extend its public safety services is evident in this budget. Even within tight fiscal resources the City has proceeded with the addition of two new Police beats, including Community Police Officers. The new beats also result in a rebalancing of the total (38) beat system so that the entire community benefits from a redistribution of Police call loads.

The loss of grant funding for the School Resource Officer program resulted in a reduction of nine officers. The Police Department is committed to using new techniques to sustain School Resource Officer (SRO) services to high/middle schools. Two possible options have been placed before School officials: (1) a plan for sharing of SRO officers among schools where assignment of a full-time SRO is not possible; or (2) supplemental SRO-type services by other Police personnel, on an as-available basis, to schools with no assigned SRO.

In Fire, the City is proceeding with implementation of the fire station location plan. Five of ten new stations have already been constructed; one additional station site has been selected. Additional positions are included for aerial apparatus staffing and to provide an extra engine company in the high growth areas of southeast Wichita.

### Public Safety Initiative – Fire

- ✓ Relocate 8 fire stations throughout the city and add 2 new fire stations, \$15 million capital cost
- ✓ Increase fire staffing for one engine company and staffing on specialty fire apparatus adding 20 firefighters, \$1 million operating cost

One option identified for City Council consideration to fund the additional cost would entail restructuring of the pension systems to achieve a "blended" pension rate, reducing current General Fund expenditures by \$1.1 million beginning in 2005. This savings could then be applied to (substantially) offset the annual operating cost to add additional firefighters as new stations are added.

More also needs to be done in Homeland Security. A multitude of potential security incidents may occur, necessitating a coordinated response from one or more City agencies. It is imperative that command and control is clearly set out in advance. Progress has been made, but more organizational changes will be necessary to ensure optimum response.

## Promoting Economic Development in Tough Times

The Wichita community is experiencing a particularly rough time as a result of the current recession. The Center for Economic Development and Business Research at Wichita State University estimated a net loss of 6,700 jobs in 2002 with more layoffs expected in 2003. Thousands more are experiencing furlough periods of many weeks or months. The unemployment rate reached 6.4% with the aviation-manufacturing sector hardest hit.

*What do you know about this business? The King said to Alice.*

A strength of the local economy continues to be general and commercial aviation manufacturing. Wichita is not, however, a "one-industry town," but can boast a very diverse local economy. A WSU Center for Economic Development and Business Research study confirmed that of 46 metropolitan areas in the study, Wichita ranked 10<sup>th</sup> in economic diversity.

The City recognizes that Wichita is and must remain a center for business and industry in Kansas, especially manufacturing. To regain its economic vitality, the City must retain and attract new employers; provide a trained labor force meeting job requirements, today and in the future; and extend policies granting necessary incentives for existing or new businesses, large and small, to expand in Wichita.

The City continues to have a strong commitment in developing and enacting policies that are conducive to economic growth and development. The tax exemption/abatement policies, along with Tax Increment Financing (TIF), have been valuable for initiating growth in manufacturing and commercial development. Wichita's efforts in economic development have resulted in 10,575 jobs created (or retained) over the past five years.

### Economic Development Program Tax Incentives Impact

	1998	1999	2000	2001	2002
<b>Companies</b>	16	12	19	22	14
<b>Jobs Created</b>	1328	1313	5822	1023	1089

The City has also recognized the importance of inner city redevelopment as an integral part of economic development. The Neighborhood Revitalization Act (NRA) has served to enhance growth in the center city by providing incentives (such as tax rebates and waivers of permits/fees) to individuals and developers who invest in designated low-to-moderate income areas.

The City further enacted a Redevelopment Incentives Plan. This program includes code modifications to promote rehabilitation, identification and marketing of possible redevelopment sites in the inner city, and new financial incentives for targeted redevelopment. The 2004 Budget includes a \$25,000 fund for the City to match private sector dollars in performance of market studies.

The new BizLoan program complements the NRA effort with a \$10 million loan program. The City and some of the largest banks in the community have partnered to provide technical assistance and discounted interest rates on small business loans for new business growth.

A major and continuing economic development effort is to sustain low airfares. The City is investing substantial public resources to support retention of AirTran (east) and Frontier (west). Lower airfares have resulted in annual savings of \$55 million to the (business and leisure) traveling public using Mid-Continent Airport.

*The table was a large one, but the three were all crowded together at one corner of it: No room! No room! They cried out when they saw Alice coming. There's plenty of room! said Alice indignantly.*

The City has forged a number of important alliances to promote a more unified effort for economic development. The existing partnership between the City, the County and the Wichita

Area Chamber of Commerce jointly funds an economic development office that complements the City's own activities. Extending to neighboring communities, the Regional Economic Area Partnership (REAP) of public sector leaders in south central Kansas jointly addresses regional economic development issues. In workforce development, the City joins with the State and County in offering scholarship assistance through the Kansas Technical Training Institute for new skill training; the City's commitment is \$200,000 in 2003.

A particularly positive emerging partnership is one that combines the existing City-County-Chamber contract with REAP membership and reactivated business sector participation and funding of a new Economic Development Board of Investors with a special Steering Committee. The goals of this expanded partnership is to promote a cooperative effort for economic development within the region, establish measurable achievements with timelines, and increase funding support.

*The game's going on rather better now.*

## Sustaining the Infrastructure In Tough Times

*And then...all sorts of things happened in a moment.*

Every day in Wichita more than 300,000 vehicles travel 1,800 miles of roads, across 261 bridges, using 373 signalized intersections and 60,000 traffic signs to guide them. Wichitans access over 270 public facilities and 122 municipal parks covering 4,500 acres where at least 160,000 trees are planted. Over 20 billion gallons of potable water is supplied to water customers annually; 15 billion gallons of wastewater is collected and treated.

Maintaining the infrastructure network is a fundamental mission of City government. Over the last several budget cycles, supplemental funding was appropriated to expand maintenance programs for streets, public buildings and parks. Current budget constraints are resulting in some retrenchment in efforts. A portion of the supplemental street and building maintenance funding will be (partially) scaled back for 2003 and 2004 with restoration budgeted in 2005. Park building and small equipment maintenance is transferred to Public Works. This effort is expected to increase productivity as a partial offset to lost funding.

*They don't keep this room so tidy as the other, Alice thought to herself.*

Park maintenance functions include landscaping at public facilities and along public right-of-ways. The budget also continues funding for two specialized maintenance crews responsible for ensuring that Wichita's public places are in premier condition through enhanced care.

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### Infrastructure Maintenance Initiative

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- ✓ Special Maintenance crew, \$92,020 annually
  - ✓ Median/ROW Maintenance Crew, \$92,020 annually
  - ✓ Building Maintenance, \$155,240 annually
  - ✓ Enhanced Traffic Signal Maintenance, \$83,000 annually
  - ✓ Contracted Street Maintenance: \$600,000 in 2004, \$1.2 million in 2005
  - ✓ Facility Maintenance: \$238,100 restored in 2005
- 

Complementing street, building, and park maintenance efforts in the operating budget are available funds through the capital program. Staff will look for ways to combine capital and operating funding to ensure the highest level of infrastructure maintenance possible. Even in these tough financial times infrastructure maintenance will continue as a high priority with only a moderate (and mostly temporary) service reduction.



## CITY OF WICHITA

Brooks Landfill operations closed in October 2001. Upon the closure of Brooks, the City assumed a thirty-year period of post-closure responsibility. The Landfill Post Closure Fund reserve is projected at \$29.4 million at year-end 2003, an amount estimated to be more than sufficient to finance future post-closure costs.

<b>Landfill Post-Closure Fund Reserve Status</b>	
Reserve for Post-Closure Costs	\$ 29,426,489
Less: KDHE Certified Liability	<u>27,749,135</u>
Contingency	\$ 1,677,354

Sedgwick County's plan for solid waste management is to construct a series of transfer stations that require this community's waste to be transported to destinations beyond Sedgwick County. Transfer stations are a more expensive alternative for waste disposal, particularly for large volume construction and demolition debris.

To lower costs, the City established a Construction and Demolition (C&D) Landfill. The landfill is located at the former Brooks Landfill site and will serve the City and other private users. Income from this facility will enable the City to continue popular community programs, such as: the bulky waste program, periodic neighborhood clean-ups, and indigent trash collections.

Both Water and Sewer utilities have substantial capital improvement programs that address rehabilitation of existing infrastructure and facility expansion, including extending the water supply to 2050 and constructing new sewage treatment facilities. One capital project recently completed is the relocation of the water maintenance facilities from Sim Park Drive to the maintenance complexes on McLean and in maintenance satellites in east and west Wichita. The relocation will co-locate Water and Sewer equipment and staff at existing Public Works facilities for potential coordination of resources and effort. It will also free the existing site along the river for re-use as part of an expanding Cowtown.

The City operates a Storm Water Utility that maintains the floodway, streams and drainage systems in the community. Funding is provided from a combination of City tax funds, County tax funds and a \$1.40 equivalent residential unit (ERU) fee. The utility provides a basic level of service and maintenance, capital project support, and a special "hot spots" program (\$725,000 annually) for critical rehabilitation needs throughout the storm water

infrastructure. The adopted budget includes a 5¢ increase each year in 2004 and 2005, as part of a financing plan that provides for operating capital project financing and makes this utility self-sustaining, except for maintenance of the Floodway that is jointly funded by the City and County.

Debt service obligations for capital improvements are the primary variable in projected utility rate adjustments. The projected rate increases will be mitigated through initiation of different debt financing strategies and rescheduling planned projects. Recently, the City Council approved a revised strategy for Water/Sewer revenue debt extending the term of debt financing out to twenty-five years for longest term (50-year useful life) elements of the utility capital program. This debt financing strategy is the principal factor in lowering previously projected Water/Sewer rate increases from 5%/8%, respectively, to 3% annual increases.

<b>Projected Annual Water, Sewer, Storm Water Rate Increases</b>			
	2004	2005	2006
Water	3%	3%	3%
Sewer	3%	3%	3%
Storm Water	5¢	5¢	TBD

Responding to growing needs, a special environmental compliance position was assigned the responsibility for environmental stewardship, conservation and pollution prevention. This includes coordination of the initiatives for clean-up of the Arkansas River.

### **Ensuring Quality of Life in Tough Times**

No city is fully meeting the needs of its people if its only focus is public safety, jobs, and infrastructure. Success also means offering amenities and promoting livability. Wichita's diversity also means offering a diversity of leisure, cultural and recreational experiences. City government is a prime sponsor of many quality of life services in the community. Libraries, recreation facilities, botanical gardens, venues for theater and symphonic productions, historical museums, art museums, public art and art education, and other programs abound.

*She found herself at last  
in the beautiful garden.*

Even during these tough times, the City has expanded its support of cultural and recreational facilities, programs and services. In the "Museums on the River" corridor, the

City invested \$6 million in a major expansion of the Art Museum with another \$4.5 million raised by the Museum Board. While more needs to be done as financial resources permit over time, the City did increase its contribution to the Museum operating budget by a net \$125,000, plus \$53,200 in Public Works for additional maintenance support for the expanded Museum.

Two new regional branch libraries, one north and one south, now offer greater access to library books and resources. Art education programs will get a new home in 2004 when CityArts moves into a new facility on the Cinema Old Town Plaza.

In the recent past, Park recreation programs for youth received boosts in funding for the Summer of Discovery program, replacement of playground equipment, and a focus on neighborhood and at-risk youth recreation services. One new soccer/softball venue was constructed in south Wichita and another major soccer/baseball venue is under development in northeast Wichita. A new public golf course was completed in west Wichita.

With a combination of grant and local funding, Neighborhood City Halls are now established at locations affording convenient access to public services. Council members have satellite offices providing an opportunity for better accessibility to citizens and increased convenience for District Advisory Board and other neighborhood meetings. Neighborhood Assistants anchor the facilities, complemented by other City staff providing community education, library, community police, neighborhood inspection and recreation programs and services. Public access computers provide citizens with Internet access and for other technology uses.

## Neighborhood City Hall Initiative (General Fund Support)

- ✓ City Council Offices, \$20,200 annually
- ✓ Neighborhood Assistants, \$13,000
- ✓ Community Police, \$19,940 annually
- ✓ Neighborhood Inspectors, \$22,360 annually
- ✓ Customer Service staff, \$146,760 annually
- ✓ Custodial/Maintenance support, \$87,830 annually

Over the last several years, the City has embarked on a major effort to promote tourism. Funding in the amount of \$446,500 is provided to the Convention and Visitors Bureau to continue marketing and promotional efforts associated with the tourism initiative. One of the elements of that effort is the Fall Aviation Festival. The budget includes support directly by the City, along with private

funding, for the 2003 Festival. The City is also funding tourism Web site development in the amount of \$70,000.

## Culture and Tourism Enhancements

- ✓ Art Museum Expansion, \$6 million (City)
  - ✓ Public Art Maintenance, \$60,000 annually
  - ✓ Tourism Initiative, \$516,500 annually
  - ✓ Southlakes Sports Complex, \$177,740 annually
  - ✓ Northeast Sports Complex, \$128,730 annually
  - ✓ 2 new District Libraries, \$142,770 annually\*
- \*Net impact after neighborhood branch consolidation

Aesthetics remains a priority for the City. Together with private partners, the City has made substantial investments in public art. Recent private donations allowed the City to install fifteen sculptures lining a renovated Douglas Avenue. The Reflection Square vest pocket park now hosts a sculpture that pays tribute to a Wichita institution, the diner counter in the Woolworth's store that occupied that parcel for over 50 years. The gateway at Central and McLean is home to the (neon) Light Towers honoring Wichita's history as the *Neon Capital*. In recognition of the City's efforts to improve the aesthetic environment, the Budget includes funding for the maintenance of City-owned public art. In the future, private fund raising efforts will seek to include costs for both acquisition and maintenance in donations.

For many Wichitans, quality of life depends upon public transportation. Buses (53), vans (24) and trolleys (5) provide 2.4 million trips annually. Transit operations are primarily locally funded (\$5,160,640 annually) with Federal and State funds supplementing service costs and providing funding for capital purchases. Thirty-nine new buses were recently deployed costing over \$10 million. To complement the existing maintenance staff, an additional position is budgeted to provide more detailed cleaning of the vehicles. New shelters and fareboxes will further enhance the transit system. Transit is also involved in providing special work-related transportation services in connection with the *Access to Jobs* program.

## Transit Enhancements

- ✓ 39 new buses, \$10 million
- ✓ New bus shelters and benches, \$483,000
- ✓ Increase para-transit services, \$100,000 annually
- ✓ Electronic Fareboxes, \$346,000
- ✓ "Access for Jobs" transportation, \$400,000 annually

Para-transit services for mobility-impaired citizens have grown at an average rate of 13.5% over the last 5 years.



This trend is anticipated to continue. Two positions were added to the budget in response to the needs of the disabled, a para-transit van driver and a scheduling clerk. The clerk will assess individuals with special needs and schedule them on para-transit vans when appropriate, and then assist them with utilizing regular transit services should disabilities be temporary.

## **Supporting Human Resources in Tough Times**

The City is first and foremost a public service organization that delivers public safety, maintenance, transportation, water/sewer, cultural/leisure, community development, and social services to every Wichitan, every day of the year. Taxpayers, in turn, make the largest investment of their tax dollars in compensating more than 3,800 (full and part-time) City employees.

*We must support you,  
you know, the White  
Queen whispered.*

During this difficult economic period, City employees have been called upon to provide more and better services to the public, even in the face of reductions in the workforce and fewer resources to carry out their work. It is important to recognize the hard work of City employees by sustaining, to the extent financially feasible, their present and future economic well-being; ensuring their safety in the workplace; and providing them with the tools to perform productively.

At the end of 2003, the City is completing a three-year labor agreement with its employee unions: Fraternal Order of Police, International Association of Firefighters, Service Employees Union, and Teamsters. Negotiations are now underway for successor contracts. It is hoped that new agreements can be reached from a continuation of the past collaborative process between the City and its bargaining units, balancing fair wage and benefit enhancements to recruit new employees and retain dedicated, long-term employees within a framework that is affordable to a financially distressed City and its taxpayers. An Employees' Council represents non-union employees. The labor-management Health Insurance Advisory Committee is also currently exploring options for affordable health insurance for 2004.

A 2004 wage and benefit enhancement package is adopted that offers a general pay increase to offset the impact of moderate inflation, continues to fund merit pay adjustments through the year as an incentive for increased productivity, and funds expected significantly higher costs for health insurance.

## **Adopted 2004 Employee Compensation Package** (Millions of Dollars)

### **All Funds**

General Pay Adjustment 1.5%	\$2.0
Continued Merit Increases	\$2.6
Health Insurance Cost Increase	\$2.8

### **General Fund**

General Pay Adjustment 1.5%	\$1.4
Continued Merit Increases	\$1.9
Health Insurance Cost Increase	\$1.9

The City also offers its employees a superior package of pension benefits that were last increased in 2000 at a cost to the City equivalent to a 3.9% increase in wages. Those benefits are sustained during the market downturn that has eroded pension system funding levels. The City commits in this budget to continue funding of the pension systems at the actuarially required level.

## **City Retirement Systems Profile**

Combined Assets as of 12/31/02: \$661 million

### **Police & Fire (P&F)**

Active Employees	1,028
Retirees	833
Funding ratio	106.2%
2004 Employer contribution (% payroll)	14.0%

### **Wichita Employees (WER)**

Active Employees	1,904
Retirees	1,052
Funding ratio	117.0%
2004 Employer contribution (% payroll)	4.7%

The City continues to emphasize job safety of employees as essential to the City organization. This includes safety equipment purchases and funding of safety efforts initiated by a labor-management Safety Committee.

A rapidly growing support mechanism for employees in carrying out their work is technology, as it reshapes the way people and organizations communicate and work. Technology is no longer merely useful in supporting City services; it is essential.

<b>Computer Systems</b>	<b># Users</b>
Police/Court/Fire	1,208
Office Automation	1,234
Park/Library	180
GIS	173
Central Inspection	249
Finance/Payroll/Utility Billing	324
Internet Access	378

[www.wichita.gov](http://www.wichita.gov)

## REVENUES AND EXPENDITURES: The Financial Picture

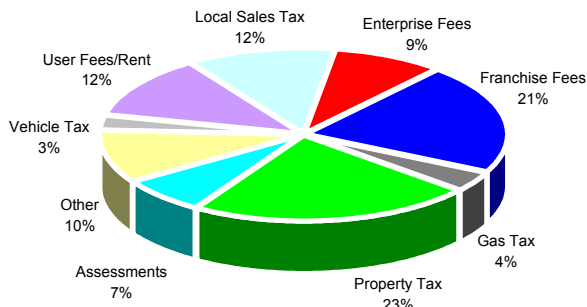
Budgeted revenues for 2004 of \$349,392,430 are derived from several major sources. Certain major revenue categories (e.g. special assessments and gas tax) are legally dedicated resources and can only be used to offset specific expenses. Total revenues are exclusive of internal services, fiduciary funds, enterprise construction and interfund transfers (eliminating double counting and co-mingling of operating and capital funds).

*What is the use of a book, thought Alice, without pictures...?*

The City's revenue picture reflects years of effort to diversify its funding sources. While the City's revenue base remains diverse, the impact of the downturn in the economy and cutbacks in State aid (demand transfers) has reversed the trend somewhat, increasing reliance on the property tax as a revenue source to fund basic municipal services.

### 2004 TOTAL REVENUES

\$349,392,430



The mill levy required to finance the Adopted 2004 Budget is 31.845 mills, no change from the levy requirement for the adopted 2003 Budget. The mill levy is divided between the General and Debt Service Funds:

FUND	LEVY
General Fund	21.845
Debt Service Fund	<u>10.000</u>
<b>Total</b>	<b>31.845</b>

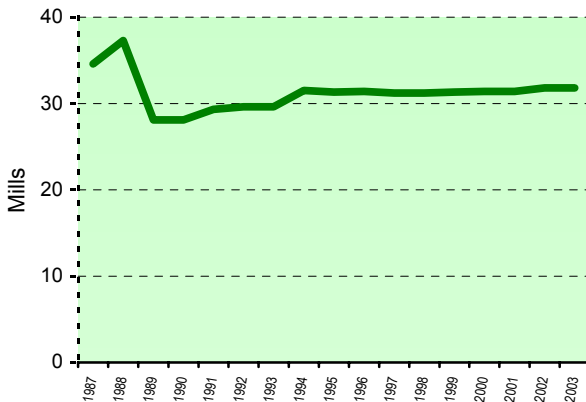
On a comparative basis with the 24 other first class cities in Kansas, Wichita remains below the 36.2 mill average. When compared with the 26 other cities within the Wichita Metropolitan Statistical Area (MSA), Wichita's levy also compares favorably with the average of 46.2 mills for combined municipal and/or fire district services.

[Note: Averages are based on 2002 tax levy information and may change as other cities adjust for 2003 tax levies to fund 2004 budgets.]

Assessed valuation is the measure of property values for taxation purposes. The County's preliminary estimate of assessed valuation is \$2,463,498,700, an increase of 8% over the previous year. Final assessed values are set (by the County) after the City's budget is adopted.

### CITY MILL LEVY

1987 to 2003



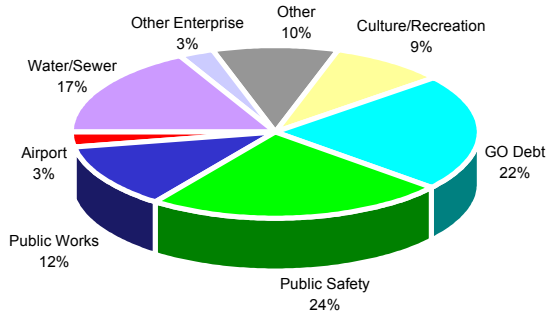
The average home in Wichita is valued at \$90,336. City property taxes annually will amount to \$331 per year, or \$27.57 per month. A family of four will likely spend about as much (or more) per month for cable television, telephone service, Internet service, or one family trip to the movies. These comparisons serve to emphasize the value represented in municipal services. For their annual City property taxes, citizens are provided vital police and fire protection, streets, parks, libraries, and a myriad of other services.

In lieu of a tax lid, the State Legislature imposed a stipulation that the City, by ordinance, acknowledge any growth in General Fund spending based on an increase in property taxes not derived from new development, increased personal property valuation, annexation, or change in use. The estimated amount of increased property tax revenue is \$2,845,882.

Adopted 2004 expenditures total \$367,666,960 for all funds. Increases in the expenditures are primarily the result of higher wage/benefit costs, the landfill closure contingency, and one-time adjustments in capital project costs (the latter two account for the higher annual 2004 expenditures and these will return to a normal balance in 2005). Factoring out a one-time fluctuation in debt service costs, total expenditures are actually 2% **lower** in 2004 than 2003. Expenditures by program/service groups are summarized in the chart.

## 2004 TOTAL EXPENDITURES

\$367,666,960



Total revenues and expenditures are aggregated and reported to show a combined budget picture. In practice, each fund is a separately certified budget.

## GENERAL FUND

The General Fund is the largest of the City's operational funds, accounting for nearly half of the total City budget. Public safety, public works, parks and recreation, health, local property tax subsidies for transit, and general government are the principal programs supported by this fund. The General Fund is one of two major funds that rely upon the ad valorem property tax as a major revenue source.

Overall, General Fund revenues are projected to be 1% **lower** than 2003 adopted, but 3.7% **lower** than 2004 projections prior to the recession and State demand transfer cuts. Absent a property tax rate increase, it was possible to identify optional revenue enhancements to only partially offset revenue losses.

### General Fund Revenues Adopted Increases

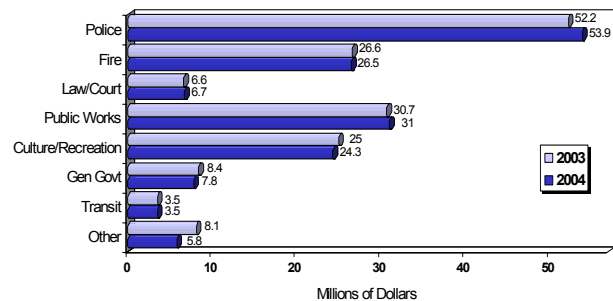
Increased Public Safety Fees	\$1,530,000
Capital Project Cost Allocation	300,000
Park Fee Increases	250,000
Administrative charges	248,020
Diversion Fee Increases	170,000
License Fee Increases	160,000
Pooled Investment Surcharge	75,000
Old Town Parking Fees to \$10	45,000
Property Tax Rate Increase	None

The General Fund is balanced for 2004 at \$160,089,470 in revenues and expenditures. The chart provides an overall picture of the allocation of General Fund expenditures by general category. It reflects policy priorities in the General Fund emphasizing public safety, infrastructure, and cultural/recreation services.

To re-balance the General Fund budget, many options for expenditure reductions were considered for inclusion in the Adopted 2004-2005 Budget. Highlighted below are some of the items adopted for implementation.

## GENERAL FUND EXPENDITURES

2003 - 2004



The reductions in the Adopted Budget represent a shared burden spread across all City departments, including non-General Fund operations that will pay higher public safety fees, administrative fees and surcharges while absorbing the impact within existing rate structures. Other reduction options will be presented for consideration during upcoming budget workshops.

### General Fund Expenditures Adopted Reductions

Non-Fire Position Reductions	(\$1,297,700)
Street Maintenance	(600,000)
No Mgmt/Exempt GPA	(540,000)
Fire Positions Not Filled (7)	(450,000)
Park Maintenance	(318,430)
Reforestation	(250,000)
Building Maintenance	(238,100)
Technology Resources	(202,090)
Employee Training	(150,000)
Nuisance Abatement	(100,000)
Neighborhood District Grants	(75,000)
Cultural Subsidies	(73,000)
Community Relations	(41,740)
Memberships	(36,170)
Research & Development	(25,000)
Across-the-board Line Items	(10,770)

Of particular concern of the adopted budget cuts is the (indefinite) deferral of some firefighting personnel for staffing a prospective new fire station. It is important to continue with this critical element of the Public Safety Initiative to ensure improved emergency response coverage in the community. The additional fire personnel are not immediately required, but any delay past 2005 will result, of necessity, in a delay in implementation of the fire station location plan.

A possible funding option has been identified that would produce \$1.1 million in resources toward the \$1.4 million required. If the City Council were to authorize a merger of the two pension systems (P&F and WER), a “blending” of the current two pension system contribution rates (14% P&F and 4.7% WER) would be possible. This rate “blending” produces a redistribution of pension costs among funds lowering General Fund pension costs. A (five vote) majority of the City Council would be required because it would entail amending a charter ordinance. The merger and pension rate change could not be accomplished before 2005.

Another concern is the necessary reductions in maintenance (streets, buildings and parks). Staff will work with capital funds to mitigate the adverse impact, and a reorganization of maintenance between Public Works and Park will improve efficiency. A strategy is needed longer term to increase maintenance funding so that the condition of the City’s infrastructure does not erode.

General Fund cost increases for wages and benefits are offset by position reductions holding personnel services flat from Revised 2003 to Adopted 2004. Moderate inflationary pressures in contractual and commodity expenses (e.g. fuel costs) were absorbed.

## **OTHER FUNDS FOR 2004**

### **Enterprise Funds**

Water/Sewer operations are projected to require moderate rate increases (3%) required to meet capital investments. Storm Water ERU rates are adjusted by 5¢ each year for 2004, 2005. No Golf fee adjustment is projected as required for 2004 at the present time.

### **Special Revenue Funds**

The current 10% discount on Central Inspection fees will likely be discontinued later in 2003. Declining Transient Guest Tax revenues are forcing some cuts in convention/tourism support, as well as the elimination of (2003) funding support for CII/Expo Hall renovations.

### **Internal Service Funds**

A (one-time) fleet rate holiday was enacted in 2003 as part of a stopgap expenditure reduction effort, but cannot be continued into 2004. A revised IT/IS rate structure has lowered technology costs per user to reduce expenses overall as well as to the individual user.

## **2003 REVISED BUDGET**

The Budget includes revised estimates of current year revenues and expenditures. The procedure of revising the budget is an important element of effective financial management, designed to provide an updated estimate of trends in the current year and to improve budget development for the next year.

In most instances, revised budgets remain within the previously adopted budget levels for each fund. Occasionally, revised estimates resulting from changing needs, or City Council actions, mean an increased expenditure level and require a re-certification of the budget.

For 2003, total expenditures (all funds) are estimated to be approximately \$340 million, **lower** than the adopted budget of approximately \$357 million. The reduced budget amounts are due principally to lower personnel costs, more moderate contractual expenses, and lower one-time expenses.

Revised estimates of expenditures in the 2003 General Fund are \$155,307,390, **lower** than the adopted budget amount of \$161,122,590. Similar to the total budget, reduced expenditures in the General Fund are found in lower personnel costs, contractals, and one-time expenses. Despite expenditure reductions, it is projected 2003 General Fund expenditures will exceed revenues, reducing cash reserves by \$2,157,110. Debt Service Fund revised expenditures are projected at \$62,636,580, only a marginal variation from the adopted budget. Other funds within the 2003 Budget entail revisions based on changing needs, and are noted by fund.

## **2005 PROJECTED BUDGET**

The 2005 Budget projection is for \$354,417,860 in expenditures. This represents a 4% decrease from 2004. Cost increases in wage and benefit costs are offset by lower debt service expenses.

The General Fund is projected to increase in 2005 to \$164,747,650, a 2.9% increase over the 2004 Budget. The projected increase is due to anticipated increases in employee wage and benefit costs, and restoration of some maintenance funds. The 2005 General Fund is also projected to be balanced with no cash reserve draw.

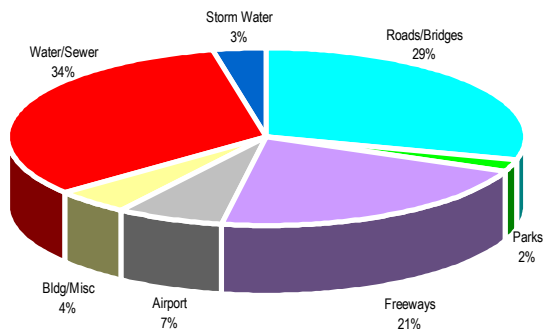


## CAPITAL IMPROVEMENT PROGRAM

*And what are they made of? Alice asked in a tone of great curiosity.*

The ten-year Capital Improvement Program totals approximately \$1.6 billion. Revenues to finance the capital program include: Property Taxes (17%), Local Sales Tax (15%), Special Assessments (8%), Grants (22%), and Enterprise Fees (35%) from airport, water, sewer, storm water, and golf, and Other (3%).

**2002-2011 Capital Improvement Program** \$1,639,480,000



The City finances capital projects in a variety of ways: general obligation bonds/notes, revenue bonds, grants, and cash. The most significant of these are General Obligation (GO) bonds based on the full faith and credit of the City. GO bonds provide debt financing not only for property tax-funded projects but for capital improvement projects where debt service payments are paid by City enterprises (e.g., Airport, Golf, Storm Water). Based on Generally Accepted Accounting Principles (GAAP), the debt service payments for General Obligation (GO) debt are spread either to the Debt Service Fund or the various enterprise and internal service funds, as appropriate.

The City maintains a high-grade (AA) bond rating. Further, the City demonstrates prudent debt practices under State law with City debt well below the legal debt margin at only 36.5% of the actual legal margin.

Projects are primarily initiated in the departments of Public Works, Water and Sewer, Park, Transit and Airport. The Program includes funding for freeways, arterials, bridges, facilities, utilities, parks and other amenities.

### Debt Service Fund

The Debt Service Fund pays expenditures related to most of the City's General Obligation debt. The first

obligation of the Debt Service Fund is to make all debt service payments on existing City bonded indebtedness. Based on revenue estimates and assuming a constant property tax levy (10 mills), the remaining resources of the fund are used to assume debt obligations for new capital projects. Funds not required for long-term debt are used to pay for capital project expenses in the form of temporary notes that are retired in the same year (e.g., "pay-as-you-go" financing).

The Debt Service Fund is positioned to support both existing debt and finance new capital projects. Cash reserves of the fund will be reduced to \$3.5 million by 2004. While this reduction is substantial, the target level of reserve for this fund is not-to-exceed 5% of annual expenditures. The fund is stable as to revenues and most expenditures are incurred late in the fiscal year. A review of the CIP is currently underway. Revisions to the capital budget will be submitted to the City Council in August.

### Local Sales Tax (LST) Capital Projects

Since 1985, the City has set aside one half of all local sales tax proceeds, estimated at \$21 million for 2004, to support the transportation capital program, with a principal emphasis on freeways. Major LST-funded projects currently underway include freeway segments on Kellogg/US-54 at Tyler/Maize on the west and Woodlawn and Rock Road on the east; the Central Rail Corridor; and \$6 million annually in arterials. Following completion of the projects underway, diminished growth in the local sales tax is likely to curtail additional new projects.

## RESERVES

Each of the funds in the City's budget has a separate cash balance position. The cash reserve position of the General Fund is projected to

be approximately \$8.5 million unappropriated reserve and \$10.4 million appropriated reserve by year-end (2003). This reserve provides a margin to cover an unforeseen shortfall in anticipated revenues, unexpected expenditure requirements, one-time expenditures, or support for future year costs without a property tax increase.

The General Fund cash reserve (in total) represents 11.8% of 2004 expenditures. It is noted that even if the reserve is maintained at the same dollar amount, it will decline as a percentage of expenditures in the coming years. Significant unknowns remain on the horizon for

*Can you do subtraction?  
Take nine from eight.  
Nine from eight I can't,  
you know, Alice replied.*

the City's budget in terms of a continued soft economy, a potential for further cuts in aid from the State, as well as the uncertainties of other major revenue streams. The cash reserve position of the Debt Service Fund is projected at 5%. The reserves of other funds vary as necessary for the specific circumstances of each fund.

Cash reserves are appropriate and necessary for a variety of reasons:

<b>Revenue Volatility</b>	Funds relying on revenues that may vary significantly due to economic or other conditions (e.g., weather) will need higher cash balances than those funds relying on more stable revenues.
<b>Timing of Cash Inflows/Outflows</b>	When either receipt of income or the payments for obligations are less predictable or subject to significant fluctuations, relatively higher levels of cash reserves may be necessary to maintain liquidity.
<b>Contingency</b>	An unencumbered cash balance provides financial resources to meet most unforeseen contingencies and liabilities while avoiding the necessity of tax/rate increases or use of "no-fund" warrants.
<b>Legal Requirements</b>	Some funds may have legal/regulatory constraints as to either minimum or maximum cash reserve levels, or a contractual obligation governing cash balances (e.g., bond covenant).

The cash reserve position is also a significant factor evaluated by bond rating agencies assessing the financial strength of a community. Cash reserves, both as to level (dollar and percentage) and trend (whether reserves are increasing, decreasing or stable), mirror the continued ability of a city to meet its obligations and the willingness of local elected officials to set tax rates commensurate with requirements for a balanced budget.

The classic definition of a balanced budget is when annually recurring revenues offset annually recurring expenditures. In some funds, expenditures are occurring at a higher rate than revenues, creating a budget imbalance and net reduction in cash reserves. This funding strategy is possible only for a limited period of time if reserves are above target limits. As reserves decline, it will be necessary to restore a balance through expenditure reductions, increases in revenues, or both.

Precipitous declines in reserves would not be prudent management, nor would such action be recommended. Utilizing the City reserves to balance the operating budget without reducing expenditures, would be short-sighted and not be in keeping with past management practices. The State of Kansas is in near bankruptcy now because State decision-makers were not realistic in assessing their financial circumstances and then late in responding, magnifying their problems. The City has a small window of time to make budget adjustments, but realistic actions must commence sooner rather than later.

## IMPROVING OPERATIONS

The City's efforts do not start and do not end with approval of the annual budget. It is necessary to put into place the means to ensure that taxpayers receive the maximum value in programs and services for each tax dollar spent.

*Now here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!*

During the course of each year, City staff continues to focus on ways to reduce costs and improve services. Continuing improvement efforts have led to restructuring of fleet operations, field maintenance, technology support, and services to the public through Neighborhood City Halls. In light of the economic downturn, transformation efforts have intensified to restructure City operations to lower costs, releasing monies for new priorities, while maintaining high service levels. Significant transformation efforts are also planned for the coming year:

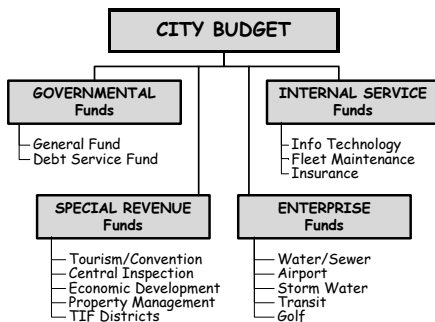
- **Operational Re-engineering** – Efforts to produce cost-saving organizational changes while maintaining or enhancing efficiency and effectiveness.
- **Consolidation** – Review of City programs and services to determine if redundancies exist, and where consolidation can produce cost-savings.
- **Privatization/Outsourcing** – Competitive pricing of government services, to ascertain those services best and most economically provided by City departments and where private companies are better able to provide a lower cost service.
- **Application of Technology** – A continuing effort to use new technologies to lower costs and enhance public programs and services.

## BUDGET PROCESS

### Fund Structure

The City does not have one budget but many funds, each of which is a legally separate budget. Only two funds, the General Fund and Debt Service Fund, include the property tax as a direct revenue source supporting fund expenditures.

*Alice thought the whole thing very absurd, but they all looked so grave that she did not dare to laugh.*



Changes in accounting standards (Governmental Accounting Standards Board or GASB #34) have impacted the fund structure of the budget beginning in 2002. Several smaller funds were consolidated into the General Fund. A number of other funds were reclassified from trust to special revenue fund status.

Financial projections are tailored to each fund. Estimates and patterns of revenues and expenditures will vary by fund based on each fund's circumstance.

### Citizen Input on Budget Priorities

The adopted 2004-2005 Budget addresses issues raised by the citizens of Wichita. As a part of the ongoing budget development process, Budget staff conducts multiple education sessions on the City's annual operating budget throughout the year. Sessions are provided to various citizen groups, including neighborhood associations, leadership councils, select citizen task forces, schools, and especially District Advisory Boards (DABs). The sessions provide an overview of the City's budget development process, a review of historical information and current trends, and a preview of upcoming budget issues.

A citizen survey has been developed for distribution at these budget presentations to formally collect and

organize citizen input. The City also relies upon feedback at regular DAB meetings, from the Internet, and follow-up sessions with neighborhood association leaders to identify citizen priorities considered most relevant for review and inclusion in the budget development process.

Community priorities identified by the citizen participants include: economic development efforts; at-risk youth programming (especially in the evening hours); infrastructure maintenance (especially storm water drainage and street maintenance projects); municipal court improvements; and neighborhood issues (i.e., code enforcement). There continues to be moderate support for public safety issues, though this issue has abated significantly since Wichita implemented the Public Safety Initiative (PSI) and the Community Policing model in 1995. The PSI was the result of feedback received from citizen input during the early 90's. In spite of recent modest increases, Wichita continues to experience very low crime rates.

Information from surveys and citizen sessions is collected and organized by Budget staff. Priorities are communicated to decision makers throughout the budget development process. As indicated throughout the budget, limited financial resources have been targeted to address those community needs identified as highest priorities by citizen participants. More extensive citizen input opportunities are planned in the Fall 2003 to stimulate dialogue between elected officials, staff and citizens for future budgets.

### Financial Planning

Sound financial planning is vital in any corporation, including a municipality.

*Oh, don't bother me! said the Duchess. I never could abide figures.*

The City's primary goal in financial planning is to maintain the public's trust and confidence in its ongoing financial stewardship of the public purse through long-term financial forecasting, a

balanced budget, cash reserves to absorb cyclical variations in revenues without reductions in services, investor confidence in the City's bond value, and stable tax levies.

The City has established a practice of multi-year budget forecasting. Long-term monitoring of revenues and expenditures helps to avoid recurrence of budget shortfalls leading to service reductions and employee layoffs. The Budget proposes a detailed two-year expenditure plan (2004 and 2005) that is financed from

available revenues. An additional three years (2006-2008) are also forecast for fiscal planning to ascertain the long-term impacts of operating budget decisions.

Another important element in the City's financial plan is a balanced budget, in both the legal and fiscal definitions. This means that annually recurring expenditures (other than one-time costs) are paid from annually recurring revenues. The effort to match annual revenues with annual operating expenditures has also aided the City in another important financial goal – to maintain a stable property tax rate. The City has sustained essentially the same mill levy for eleven consecutive years.

## **Revenue/Expenditure Forecasting**

*What's one and one and one and one and one and one and one and one and one and one? I don't know, said Alice. I lost count.*

The City's Budget has a multi-year focus: retrospective in reviewing the prior year (2002)

actual revenues and expenditures; current in revising 2003 requirements; prospective in budgeting for the next two years (2004/2005); and forecasting an additional three years (2006-2008). Forecasting the financial future of the City is not a precise science. It requires making assumptions about the future.

To the greatest extent possible, staff has sought to provide a neutral forecast that is neither too optimistic nor too pessimistic. The forecasting effort in the budget process is the product of assembling information from multiple sources, including:

- ▶ Econometric modeling of revenues based on research by Finance staff and WSU faculty,
- ▶ Input from state agencies which forecast various governmental revenues (e.g., Gas Tax),
- ▶ Local economic trends prepared by the WSU Center for Economic Development and Business Research (see pages 5-9),
- ▶ Private sector expertise on select revenue sources (e.g., franchise fees), and
- ▶ Finance and other City department staff who monitor revenue and expenditure trends.

## **Budget Administration**

The budget establishes appropriation and expenditure levels. It is normal with prudent management for "actual" expenditures to be marginally below "budgeted" expenditures by year-end. Organizations often anticipate a level of such expenditure savings in the budget

development. The existence of a particular appropriation in the budget also does not automatically mean funds are expended. Because of the time span between preparing the budget, subsequent adoption by the governing body and the end of the budget year, as well as rapidly changing economic factors, all expenditures are reviewed prior to any disbursement. These expenditure review procedures assure compliance with City requirements and provide some degree of flexibility for modifying programs to meet changing needs and priorities.

## **CONCLUSION**

As elected representatives of the citizens of Wichita, the Mayor and City Council establish the policy framework for development of this adopted budget. The governing body has consistently coalesced around several focal points that reflect what has made Wichita a quality City and will position Wichita to continue to prosper.

These discussions with the Mayor and Council Members, individually and in workshops, as well as

*Right, as usual, said the Duchess: what a clear way you have of putting things!*

dialogue with other community leaders, citizen groups, and individual citizens provide the key factors for staff consideration in the formulation of the City's operating and capital budgets as Wichita moves forward to:

- address major needs, such as preserving public safety, making critical capital investments and providing effective maintenance and upkeep to the City's assets;
- sustain continued economic development for renewed prosperity in the City;
- serve priorities and needs identified by the community so City services are responsive to the public;
- target resources in ways that are demonstrably beneficial for the entire community; and
- maintain a balanced budget and stable tax levy.

Even in these tough times, the City is moving forward and the Adopted 2004-2005 Budget is part of that progress. Critical issues are being addressed. Wichita continues to be a safe and clean city. Wichita is working within a framework of local and regional partnerships, public and private, to promote future economic prosperity. Wichita has a sound infrastructure network, including a quality water supply. Wichita is continuing to sustain what it builds. Wichita offers amenities and a high quality of life.



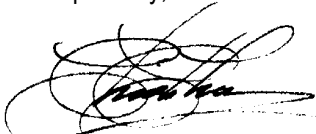
The Adopted Budget was also developed with a view to enhancing the value of City services to the citizens of the community. The Budget addresses important public services, delivered through increased use of technology, emphasizing effective management, and within a prudent financial framework.

The budget as adopted is the best efforts of staff. To achieve a balanced budget addressing public service needs within a stable tax structure meant many difficult choices. Internally within each department, through the Budget Review Cabinet and finally in the Office of the City Manager, staff undertook serious and tough actions to curtail costs, absorbing the impact of inflation and the loss of substantial revenues.

As City Manager, one of my tasks in submitting an annual budget is to *keep the Council advised as to the financial condition and requirements of the City*. In carrying out this responsibility, I am pleased to report the City is moving forward and mitigating adversity even in these tough times. The challenges ahead are numerous, but manageable, if there is a continuing commitment to community, partnerships, hard work, and innovation. The Adopted 2004-2005 Budget has been presented and adopted by you, the governing body. It is time now to move forward with its implementation and administration.

*Alice could not help thinking there must be more to come.*

Respectfully,



Chris Cherches  
City Manager

CC/rt

## ACKNOWLEDGMENTS

Formulating the annual budget document is a team effort and the result of countless hours of work. The Budget Review Cabinet was chaired by Cathy Holdeman, and included: Joe Botinelly, Kay Johnson, Doug Kupper, Steve Lackey, Karen Marshall, Tom Stolz, and Karen Walker. This group did a commendable job in evaluating budget requests. Special appreciation and thanks are extended to the Budget Staff of the Department of Finance for their long hours and hard work: Ray Trail, Kelly Carpenter, Rob Raine, Mark Manning, Jay Newton, Kendall Niquette, Trinh Bui and Debbie Osborne.

*They're dreadfully fond of beheading here; the great wonder is, that there's any one left alive!"*

The City is proud to be the recipient of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for every year continuously since 1989; we believe this budget document will also meet those standards. The City further holds the GFOA Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report, having received this award for more years (29 years) than any other governmental entity in Kansas. The City has additionally received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the City's financial reporting on its retirement systems. The City has also received the Certificate of Excellence Award from the Municipal Treasurers' Association for its investment policy. Finally, the City has been recognized for meeting the standards of the National Purchasing Institute for incorporating all the essential elements of a model purchasing program.

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*Wake up, Alice dear, said her sister;  
Why, what a long sleep you've had!*

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## Location

Wichita, the largest city in Kansas, population 346,664<sup>1</sup> is the county seat of Sedgwick County. Major highways, including the Kansas Turnpike and Interstate I-135, link the City with a large trade area that encompasses a population of approximately 1.0 million<sup>2</sup> people within a 100-mile radius. The nearest large cities are Denver to the west, Kansas City to the northeast and Oklahoma City and Tulsa to the south and southeast.

## Historical Background

Wichita became a town in 1868, was incorporated in 1870 and has been a city of the first class since 1886. The original stimulus to the City's economic development was the extension of the Santa Fe Railway into Wichita in 1872. The City's early growth paralleled the expanding agricultural productivity of the Central Plains States and by 1900 the City was an important regional center for the processing of agricultural products and the distribution of farm equipment. In 1914, the discovery of oil broadened the economic base, drawing to the city numerous services, distributive enterprises and metalworking industries. From the earliest days of the aircraft industry, Wichita has been a leading producer of general aviation and commercial aircraft. McConnell Air Force Base was activated in 1951 and has remained an important asset in the community.

In 1918, Wichita became one of the first municipalities in the United States to adopt the Commission-Manager form of government. Effective April 14, 1987, the title "City Commissioner" was changed to "City Council Member" and instead of being elected at-large, five council members were nominated by district and elected at-large. In November 1988, Wichita voters approved a referendum to elect a five-member City Council by pure district elections and a full-time Mayor by city-at-large elections. On February 10, 1989, Charter Ordinance 115 was adopted and provided for the five council member seats to be increased to six by subdividing the City into six districts based on the 1990 census.

The six Council members and the Mayor serve four-year terms with the Council members' terms being overlapping. The City Council and Mayor conduct all legislative functions for the City of Wichita and establish general policies, which are executed by the City Manager.

Wichita has been the recipient of the All-America City Award three times - 1962, 1993, and 1999. This award is America's oldest and most prestigious civic award. This premier award is awarded to the City that demonstrates the most effective collaborative interaction of citizens, government, business and the volunteer sector to address and solve critical local issues.



## Population Characteristics

*This report was prepared by the Center for Economic Development and Business Research (CEDBR) at the request of the Department of Finance specifically for inclusion and use in the 2003-2008 Financial Plan.*

2002 Population	
Wichita city (2002) <sup>1</sup>	346,664
Wichita MSA (2002) <sup>2</sup>	549,790
Within 100-mile radius <sup>3</sup>	998,511
<sup>1</sup> Source: Claritas 2002 population estimate. <sup>2</sup> Source: Claritas 2002 population estimate. <sup>3</sup> Source: Estimated by the CEDBR, Wichita State University using Claritas 2002 population estimates and mapping.	

<sup>1</sup>Source: Claritas 2002 population estimate.

<sup>2</sup>Source: Claritas 2002 population estimates and mapping.

## Growth

Wichita's population growth has been steady for the past two decades. The majority of recent growth has occurred along the far west/northwest and east/northeast peripheries of the City, and into the unincorporated portions of the county.

As of April 2003, the City's total land area was approximately 155.3 square miles. The majority of annexation over the past years has been in response to a need for improved municipal services in the annexed areas, especially water service.

## Geographic Distribution

The metropolitan statistical area (MSA) includes Butler, Harvey, and Sedgwick counties. Sedgwick County represents the largest portion of the area's population with an estimated 456,697 residents in 2002. The MSA expanded effective June 6, 2003, when the Federal Office of Management and Budget (OMB) added Sumner County to the Wichita Metropolitan Statistical Area. Due to immediate inaccessibility of data for Sumner County, the current information contained in the report does not reflect this growth. However, future City Profile information will reflect the statistical impact of the addition of Sumner County on the Wichita MSA.

The City's population density has decreased by 45 percent in the past few decades. Today, there are approximately 2,536 persons per square mile in Wichita, compared to 4,625 persons per square mile in 1960 when growth within the City limits peaked. The trend of perimeter growth and the associated increase in demand for local government services is expected to continue for Wichita.

## Public Safety

National FBI statistics for 2001 show Wichita's violent crime rate to be lower than many midwestern cities of comparable size, including Oklahoma City and Tulsa. The Wichita metropolitan area's violent crime rate in 2001 was 521 offenses per 100,000 population.

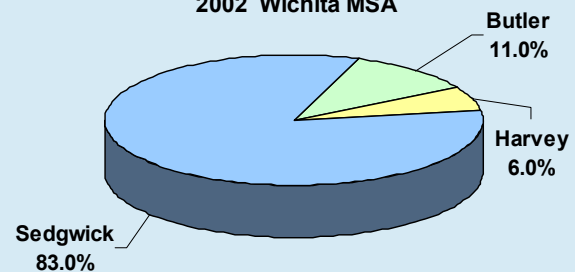
In 2002, overall crime in Wichita rose slightly compared with 2001, for the second year, after three previous years of decline, according to Wichita Police Department statistics. The 2002 crime rate is still below the average rate for the preceding five years. Efforts by local leaders to address crime and crime perception in the City have included the addition of on-line services, such as surveys, auto accident reporting and crime information, community policing, education, more stringent handgun regulations, enhanced surveillance of gang activities, as well as expansion and support of crime prevention programs in target areas.

### Population Trends

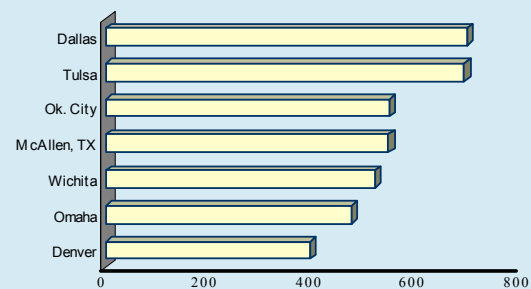
Year	Wichita (000's)*	Percent Change	Sedgw. Co (000's)	Percent Change
1950	168.3		222.3	
1960	254.7	51.3%	343.2	54.4%
1970	276.6	8.6%	350.7	2.2%
1980	279.3	1.0%	367.1	4.7%
1990	304.0	8.8%	403.7	10.0%
2000	344.3	13.3%	452.9	12.2%

*\*Source: U.S. Bureau of the Census, Population of the 100 Largest Cities and Other Urban Places in the United States: 1790 to 1990, Working Population Paper No. 27. Census 2000*

### Population Distribution 2002 Wichita MSA



### 2002 Violent Crimes Per 100,000 Population



*\*Includes murders, rape, robbery and aggravated assault.*

*Source: FBI Crime in the United States." Compiled by the Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.*

## Composition

The racial and ethnic composition of Wichita's population is comparable to that of the nation. Current trends indicate the fastest growth rate to be among Asian/Pacific Islanders and persons of Hispanic origin.

## Education

Wichitans place great importance on education. In 2000, 84 percent of Wichita's citizens aged 25 years and older had at least a high school diploma, compared to 80 percent in the nation overall.

The City of Wichita is served by eight unified school districts. The Wichita Public Schools (USD 259) is the largest in the City. Enrollment grew steadily from 1996 through 2001, but decreased slightly in fall 2002.

In addition to the public school districts, there are dozens of private and parochial schools serving preschool through high school students, as well as those needing special education. Fourteen colleges and universities in the local area serve Wichita, including Wichita State University, University of Kansas-School of Medicine, Friends University, Newman University, and the Wichita Area Technical College.

## Health Care

Wichita is a first-class regional medical center with 15 acute care and freestanding specialty hospitals providing the community with approximately 3,000 licensed beds. In addition to these major treatment facilities, there are approximately 50 nursing homes and assisted living facilities. Wichita is also home to the Center for Improvement of Human Functioning, an international bio-medical research and educational organization specializing in nutritional medicine and preventive care.

## Transportation

Wichita Mid-Continent Airport, the largest airport in Kansas, is a combination commercial air carrier and general aviation complex, providing accommodations for all aircraft. Passenger service is available through 15 airlines including AirTran Airways; Allegiant Air; America West Express; American; American Connection; American Eagle; Continental Express; three Delta Connections, Atlantic Southeast, Comair, and Skywest; Frontier Jet Express; Northwest Airlin; United; and two United connections, Atlantic Coast and United Express. Five major carriers, including Airborne Freight, DHL, Emery, Federal Express, and UPS, provide cargo service.

Air passengers at Mid-Continent numbered 1.3 million in 2002 (inbound and outbound). Airfreight shipments totaled 69.5 million pounds in 2002 (inbound and outbound).

### Population by Race/Ethnic Origin, 2002 (percent of total)

	U.S.	Wichita
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Hispanic Origin*	13.1%	10.4%
Not Hispanic		
White	74.5%	74.1%
Black/African Am.	12.4%	11.7%
American Indian	0.9%	1.2%
Asian	3.8%	4.2%
Other**	8.4%	8.8%

\*May be of any race.

\*\*Includes other races and persons identify with multi-racial.

Source: Claritas 2002 population estimates.

### Wichita Mid-Continent Airport Activity Air Freight Shipments (pounds)

Year	Inbound	Outbound
1994	31,288,000	27,584,000
1995	31,068,000	26,422,000
1996	42,662,000	37,240,000
1997	39,148,000	38,324,000
1998	37,040,000	36,252,000
1999	27,874,000	26,110,000
2000	28,884,000	22,032,000
2001	26,368,000	23,468,000
2002	35,804,000	33,684,000

Source: Wichita Airport Authority. Compiled by Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.

### Wichita Mid-Continent Airport Activity Air Passengers

Year	Inbound	Outbound
1994	581,494	584,624
1995	647,148	647,242
1996	712,641	714,591
1997	710,017	704,317
1998	666,442	666,506
1999	626,951	621,378
2000	617,634	609,449
2001	565,498	563,883
2002	666,437	670,833

Source: Wichita Airport Authority. Compiled by CEDBR, W. Frank Barton School of Business, Wichita State University.

## Culture and Leisure

Recreational opportunities abound in Wichita. The City's compact size allows minimal travel time (average 30 minutes) to outlying areas with open prairie and lakes. Inside the city there are more than 90 municipal parks, covering 4,190 acres.<sup>3</sup> At least 160,000 trees are planted in Wichita's public grounds.

Cultural activities include art, natural and historical museums, theater, the Mid-American All-Indian Center, the Wichita Symphony, the Metropolitan Ballet, an observatory, a botanical garden, and a natural setting zoo. Demonstrating potential strength for tourism in Wichita, Exploration Place, the \$62 million science center and museum, opened in 2000. In 2001 the facility had 289,564 visitors. The impressive attendance at Exploration Place also bodes well for the Wichita Art Museum, which is just completing a \$10.5 million renovation.

Special ethnic, sports, and holiday events take place year-round, culminating in the area-wide nine-day River Festival in May. Beginning as a city-financed centennial celebration in 1970, the River Festival has grown steadily. In 1996, it was named one of the top 100 tourist attractions in North America. The total economic impact of the river festival in 2001 was an estimated \$22.6 million.<sup>4</sup>

Minor league baseball and professional hockey are examples of other major attractions in the Wichita area, as well as Joyland Amusement Park. The twin-sheet ice skating arena, Ice Sports Wichita, is available for additional sporting events. Wichita has five City-owned golf courses, three other golf courses for public play and four membership-only private courses.

Century II is the convention headquarters downtown. The Kansas Coliseum, just north of the city, is a multi-purpose facility that hosts a variety of events from concerts to livestock shows. The \$30 million Hyatt Regency hotel in downtown Wichita has added to the large selection of hotels in the city. Wichita is the leading convention and tourism center in Kansas.

## Economic Development

Wichita offers an excellent business environment, with incentives that include property tax abatements (up to 10 years-100%), industrial revenue bonds (IRBs), Enterprise Zones, job training funds and venture capital.

Under the state constitution, Kansas is a right-to-work state. No labor unions may attempt to collect "service fees" from workers who choose not to join the union. Only 8.4 percent of the Wichita MSA's private work force is unionized compared to 11.2 percent of the national private sector. Outside the aircraft plants only 4 percent of the Wichita MSA's private workforce is unionized.<sup>5</sup>

Downtown Wichita serves as the region's entertainment, artistic, cultural and government center. It has 3.5 million square feet of office space, nearly 50 percent of all office space in Sedgwick County.

Downtown revitalization is gaining importance and momentum in Wichita. The vitality of the City's core is essential, not only to economic and tax base stability, but to quality of life for its residents. Among the riverfront and core-area public and private development projects under construction or completed since 1994 are:

- Hotel at Old Town
- Wichita BoatHouse
- Old Town Redevelopment
- The Eaton Hotel and Carey Square
- State Office Building
- Wichita Ice Center
- Exploration Place, a Science Center
- Hyatt Convention Center Hotel
- East Bank River Walk
- Maple-Lewis-Douglas Street Bridges
- McLean Boulevard Realignment
- Douglas Avenue Upgrading
- Development of pocket parks
- Old Town Square/Movie Theater
- Two-way Main Street
- Public Art Program
- Innes Station (apartments)
- Lawrence Dumont Stadium Renovation
- Douglas Street Façade Renovation Program
- Garvey Center Apartments
- The Harvester Apartments
- Delano and West Douglas
- Kansas Sports Hall of Fame
- Walk-of-Fame - Lawrence Dumont Stadium

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<sup>3</sup> Source: City of Wichita Park and Recreation Administration.

<sup>4</sup> Source: Wichita Festival Inc.

<sup>5</sup> Source: Wichita Area Chamber of Commerce. Estimates are for year-end 1994.



## Cost of Living

Even with all these amenities, Wichita still maintains a moderate cost-of-living rate of 98.0, about average among the 307 urban areas in the United States.<sup>6</sup> As of second quarter 2002, the median sales price of existing single-family homes in the Wichita MSA was \$96,100 compared to the national average of \$157,800 according to the National Association of Realtors. As of second quarter 2002, the median sales price of a newly built single-family home in the Wichita metro area was \$135,000, substantially below the national median price of \$184,100.<sup>7</sup>

## Economic Characteristics

*This report was prepared by the Center for Economic Development and Business Research (CEDBR) at the request of the Department of Finance specifically for inclusion and use in the 2003-2008 Financial Plan in April 2003. For updated information refer to CEDBR site (<http://www.webs.wichita.edu/cedbr>) on the World Wide Web.*

## Employment

Wichita's employment includes a broad mix of business types, with a strong base of relatively high paying manufacturing jobs. A list of Wichita's major private employers includes The Boeing Co., Cessna Aircraft Co., Raytheon Aircraft Co., Via Christi Regional Medical Center, Bombardier Aerospace Learjet, Dillon Stores, Koch Industries Inc., Wesley Medical Center, AGCO Corp., The Coleman Co., Wichita Clinic, Bank of America and Southwestern Bell.

However, any listing of the area's largest private employers cannot reveal the large number of small and mid-sized companies providing a wide variety of goods and services to markets around the globe. The 2001 *County Business Patterns* shows approximately 11,584 business establishments in Sedgwick County with fewer than 100 employees.

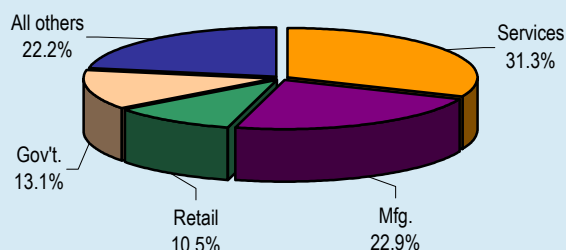
Total wage and salary employment in the Wichita metro area experienced a net loss of 6,700 jobs in 2002. During the past decade, 1992 through 2002, total wage and salary employment grew by 13.7 percent, or an average of 1.4 percent annually. During the past ten years the Wichita metro area added 34,000 net new jobs.

Education and health care services added the most net new jobs in the past decade (7,300) followed by the government (6,300), professional & business services (4,200), manufacturing (3,700) and leisure & hospitality (3,400) sectors.

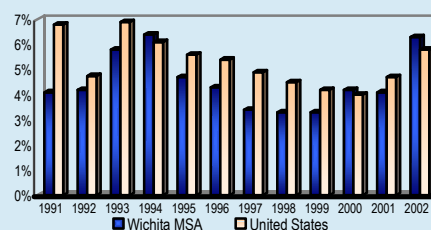
<sup>6</sup> Source: ACCRA 2nd Quarter 2002.

<sup>7</sup> Source: Wichita Area Association of Realtors-Multiple Listing Service and the National Association of Realtors.

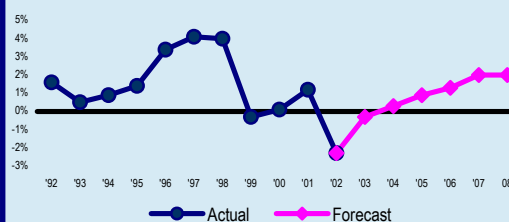
**Wage & Salary Employment  
2002 Wichita MSA**



**Unemployment Rate U.S. versus  
the Wichita MSA**



**Total Employment Growth Rate  
Wichita MSA**



Source: KS Dept of Human Resources. Compilation and forecast by Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.

As of year-end 2002, manufacturing was the largest employment sector (22.9 percent) followed by the education & health services sector (13.1 percent), the government sector (13.1 percent) and the retail trade sector (10.5 percent).

The Wichita MSA civilian labor force increased from 293,715 in 2001 to 301,517 in 2002 for a growth rate of 2.7 percent.<sup>8</sup> The average annual unemployment rate in 2002 was 6.4 percent (19,230 people), compared with 4.1 percent (12,057 people) in 2001. Historically, the Wichita metro area enjoys a relatively low unemployment rate. During this past quarter century, the metro area's unemployment rate has been lower than the U.S. rate in 22 out of 25 years.

In 2002 the U.S. economy started a slow, weak recovery. This was not the case, however, in Wichita. Following 9/11 all four of Wichita's aircraft manufacturers experienced immediate and continuing order cancellations. As a result, each of them reduced employment levels during 2002. In addition, nearly every other industry sector in Wichita saw net job losses during 2002. However, it was expected that since Wichita did not enter the recession as soon as the national economy, Wichita would not economically recover as fast as the national economy. Thus total employment in 2003 will decrease slightly, losing 910 jobs or 0.3 percent.

### Manufacturing

U.S. industrial production started to rebound in early 2002, following an 18-month recession. However, declines in the second half of the year signaled that the manufacturing recovery had stalled. Additionally, rising input prices were driving up costs, but weak pricing power was limiting the ability of manufacturers to increase revenues and, therefore, profits.

Wichita's four aircraft manufacturers all reduced production schedules in 2002 and further reductions are expected for 2003. Most industry analysts are now looking to 2004/2005 for a rebound in aircraft manufacturing. Given the weak national markets for manufactured goods and with recovery at least a year away for the aviation industry, the Center predicts a decrease of 2.3 percent, or a loss of 1,500 manufacturing jobs in 2003; significantly fewer than last year.

During the 1980s, Wichita saw significant decreases in manufacturing employment averaging 0.7 percent annually. Most of these job losses were as a result of downsizing among the general aviation manufacturers early in the decade. With the introduction and passage of product liability reform

legislation, the general aviation industry in Wichita blossomed during the 1990s growing on average 1.5 percent annually.<sup>9</sup> During the 2000s, the CEDBR is expecting more modest growth in the manufacturing sector. Following significant job losses in 2002 and 2003, the manufacturing sector should start to see job recovery in late 2004. From 2005 through 2008 job growth in the manufacturing sector should average about 1,425 net new jobs annually.

Among Wichita's three general aviation companies, Cessna Aircraft, Raytheon Aircraft and Bombardier Aerospace, shipments totaled 1,322 in 2002 with billings totaling \$6.3 billion.<sup>10</sup> For the first time in nearly a decade totaling billings declined in 2002, falling by 21.2 percent.

Along with Boeing, all three of Wichita's general aviation manufacturers reduced employment levels during 2002. In Wichita, Boeing laid off approximately 5,200 employees starting with nearly 2,000 in December 2001, based on expectations of falling deliveries. In March 2003, machinists at Bombardier Aerospace approved a restructured contract that company officials say will keep its Wichita plant open through at least 2006. The contract freezes union members' wages and pension benefits for a year, alters work schedules and increases employee contributions to monthly health care premiums. During the past 18 months Bombardier has cut about 900 jobs, temporarily lay off about 500 in December and suspended aircraft production for four to six months. In January 2003, Raytheon Aircraft announced 550 job cuts. Employment at the Wichita plant will total 7,100 once this latest round of job cuts is complete. Cessna attempted to maintain full staff until late in 2002, when it announced plans to downsize. In addition to 1,200 layoffs, the company will be requiring a seven-week furlough of 6,000 employees from June 2 through July 18. Cessna downgraded its 2003 delivery forecast from 220 to 180 in late January 2003. Company officials aren't expecting to see a turnaround in airplane sales for at least two years.

Since September 2001, Boeing Commercial Airplanes has reduced employment by approximately 30,000 people (company-wide) and airplane production rates have been cut in half. In 2002, annual deliveries of commercial airplanes decreased 28 percent and revenues fell 19 percent. Boeing Commercial Airplanes received 67 gross orders during fourth quarter 2002 and 251 for the year. Contractual backlog at quarter end totaled \$68.2 billion compared with \$75.9 billion at the end of 2001. Boeing Commercial Airplanes' delivery forecast for 2003 has been revised to approximately 280

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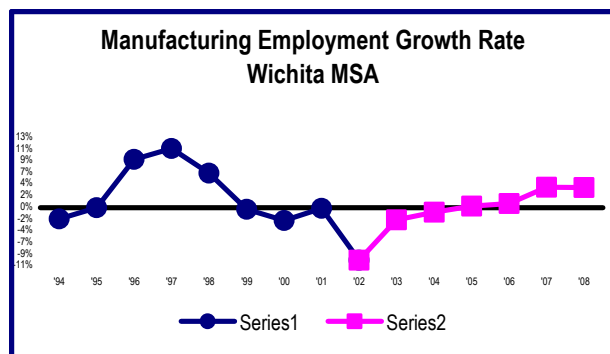
<sup>8</sup> The Wichita metropolitan area is currently comprised of three counties including Butler, Harvey and Sedgwick. It is expected that Sumner County will be added to the metropolitan area with the release of new metropolitan area definitions in June 2003. This new designation is reflected in this civilian labor force data.

<sup>9</sup> Historical growth rates are based on SIC coding system.

<sup>10</sup> Source: General Aviation Airplane Shipment Report, General Aviation Manufacturers Association released 2/10/03. A complete copy of the report is available online at <http://www.gama.aero/home.php>. Note that numbers for the three Wichita-based companies include shipments and billings from all plant locations. In addition, these figures include data for the number and value of shipments for Boeing Business Jets.



airplanes. Boeing expects deliveries in 2004 to be similar to 2003 and has established an estimate of 275 to 300 airplanes, with market recovery beginning in 2005. According to the company, the delivery forecast for 2003 is virtually sold out and approximately 80 percent sold for 2004 at the lower end of the range.<sup>11</sup>



Source: Kansas Dept. of Human Resources. Compilation and forecast by Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.

Although Wichita has a strong competitive advantage in the production of aircraft, the overall economy has a healthy diversity. In 2001, the Center for Economic Development and Business Research conducted a study that confirmed this diversity.<sup>12</sup> When compared to 318 metropolitan areas across the nation, Wichita ranked 144<sup>th</sup> in terms of diversification, demonstrating an above average economic diversity. The volatility of the Wichita economy proved to be lower than the majority of the study cities by each economic indicator measured.

## Services

The performance among the service sectors varied substantially during 2002:

- The educational and health services sector gained 1,500 jobs for a net increase of 4.2 percent.
- The financial services sector gained 100 jobs for a net increase of 0.8 percent.
- The information sector lost 100 jobs for a net decrease of 1.8 percent.
- The leisure and hospitality sector lost 600 jobs for a net decrease of 2.4 percent.
- The business and professional services sector lost 1,500 jobs for a net decrease of 5.3 percent.
- The other services sector gained 400 jobs for a net increase of 3.8 percent.

<sup>11</sup> Source: Boeing News Release, Boeing Reports Fourth Quarter and Full Year 2002 Financial Results; Updates Outlook, Jan 30, 2003 online at [http://www.boeing.com/news/releases/2003/q1/nr\\_030130a.html](http://www.boeing.com/news/releases/2003/q1/nr_030130a.html).

Historically, when Wichita has experienced job declines in the manufacturing sector this has freed up labor and led to employment growth in the service sector. In 2003, modest growth is being forecast among service sector employment totaling about 510 jobs. Services are expected to continue to be a major contributor to job growth over the next five years. As a regional health services center for south central Kansas, Wichita should continue to see growth in the health care sector. With continued population growth, employment growth will continue in the educational services sector. Employment in services sub-sectors such as call centers and leisure and hospitality will improve, as the area exits out of recession.

## Construction

Despite job losses totaling 200 (a decrease of 1.4 percent), construction employment in 2002 is still 20 percent higher than it was in 1992, as the Wichita area recovered from the last recession in 1990/91.

The value of construction permits for the City of Wichita totaled \$416 million in 2002, down 5.8 percent from 2001. The declines primarily occurred among commercial construction. New non-residential construction declined 28.9 percent. New residential construction, on the other hand, totaled \$155.6 million, up 14.8 percent from 2001.

A \$284 million bond issue for the Wichita Public Schools, USD 259, passed on April 4, 2000. The bond money will be used to finance the elimination of all but a few portable classrooms, add classrooms to eliminate overcrowding, replace schools that would be more costly to refurbish and maintain, and modernize heating, cooling, and wiring in all of the schools that need it.

Several large privately funded commercial projects are underway providing further job stability for the commercial sector. Some of these projects include a \$90 million expansion of Wesley Medical Center and the \$61 million construction of Cessna's new Citation Service Center.

On the residential side, sales in February show continued strength in the area's housing market. Home sales for the 12 months ending in February 2003 were running 3.4 percent higher than the previous year. The Center expects home sales to slow slightly in 2003 for a variety of reasons including mortgage interest rates, which are unlikely to fall further this year. In addition, given the impressive housing market in the Wichita area the last few years, it is unlikely there is much pent-up demand for housing. Finally, with mounting job losses in the area, many consumers may be hesitant to make such a large purchase.

<sup>12</sup> "Industrial Structure and Economic Volatility of Selected Metropolitan Areas", Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University, August 2001, funded by the City of Wichita, Dept. of Finance.

The CEDBR is projecting a 0.5 percent increase in construction employment in 2003. Residential construction activity is expected to remain close to 2002 levels while commercial/ industrial construction activity is expected to increase slightly. With job losses in the residential sector and job gains in the commercial/industrial sector, overall employment in the construction industry is expected to increase only modestly, adding about 75 jobs.

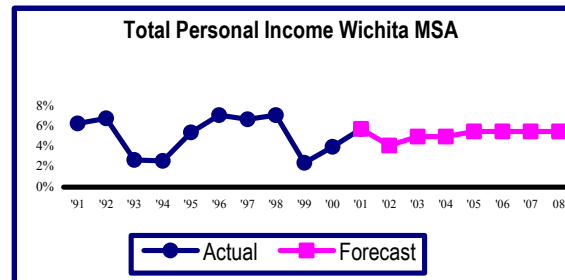
### Personal Income

Total personal income for the Wichita MSA had an average annual growth rate of 6.2 percent for the decade ending in 2000 (the latest year for which data are available as of this printing). From 2000 through 2008, total personal income is expected to grow at an average annual rate of 5.6 percent. If inflation remains in the range of 2 percent, growth of real, inflation-adjusted personal income would average 3 percent for the period 2003-2008.

Personal income is expected to increase 5 percent in 2003 (2.9 percent real, inflation-adjusted growth) as a result of the downturn in aviation manufacturing. With a weak labor market, wages are not expected to rise much faster than inflation in the near term.

Personal income is attributed to the county in which a person lives, regardless of where he or she may work. As surrounding counties continue to successfully develop their own infrastructure and residential neighborhoods, they will attract a greater share of the MSA's total income.

However, Sedgwick County will retain a major share of jobs and workforce in the region.



Source: U.S. Dept. of Commerce, BEA. Compilation and forecast by Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.

Personal income is affected by a number of factors, including social security, farm income, rental income, stocks, interest, and employee earnings. The largest share by far is the earnings of employees.

### Retail Trade and Sales

With lackluster sales, there has been a fierce battle nationally for retail market share resulting in numerous closures, consolidations and bankruptcies by struggling retailers while those with deep pockets expand rapidly to grab market share. Locally, the results of that battle for market share have brought several new national retailers into the market including Galt Sports, Dick's Sporting Goods, Ashley's Furniture Homestore, Hollister Co., Von Maur, and Abercrombie & Fitch. In addition, several national retailers such as Lowe's Home Improvement, Wal-Mart, Dillons, Aldi Supermarket and Dollar General have expanded their presence in Wichita by opening additional locations. Costco Wholesale Corp., one of the nation's largest warehouse clubs, announced plans to open a Wichita store in 2003. Bass Pro Shops, one of the world's largest outdoor sporting goods retailers, is looking at potential store sites in Wichita. During this same period several national retailers have exited or reduced their presence in the Wichita market including Stein Mart, Osco Drug, K-Mart, Zany Brainy and Albertson's. There will continue to be shakeouts among retailers of all sizes in 2003, with larger retailers possibly more able to sustain continued lack of growth in revenues than smaller retailers.

In addition to access to retail outlets, growth and decline in real retail sales (adjusted for inflation) are closely related to employment growth and consumer confidence. Each new job generates just over \$24,000 in nominal taxable retail sales. However changes in state tax law also can have an impact on taxable retail sales. Since July 1998 the Kansas legislature has granted sales tax exemptions totaling approximately \$35.4 million. For example, in July of 2000 expanded exemptions for manufacturing machinery and equipment were granted with an estimated loss of sales tax collections totaling \$4.3 million annually statewide.<sup>13</sup> As the state's major manufacturing center, a large percentage of those collections are likely to be generated in the Wichita metropolitan area.

<sup>13</sup> Based on estimates provided by the Kansas Department of Revenue.

## CITY OF WICHITA

Based on Kansas Department of Revenue state sales tax receipts, the Wichita MSA produced \$6.838 billion in taxable retail sales in 2002. This reflects a decline of 2.1 percent between 2001 and 2002.

Retail sales tax collections in the metro area grew by 2 percent between 2001 and 2002 as the state increased its tax rate from 4.9 percent to 5.9 percent effective July 1, 2002.

Retail sales are projected to decline in 2003 and then increase at an average annual rate of 3.3 percent during 2004-2008. This forecast is based on anticipated employment and personal income above and the assumption that Wichita will continue to attract growing numbers of new, well-managed retail establishments.

Wichita MSA Taxable Retail Sales				Wichita MSA Wage & Salary Forecast			
Year	State Sales Tax Collections (Millions)	Taxable Retail Sales (Millions)	Annual Growth Rate	Year	Wage & Salary Employment	Level of Change	Annual Growth Rate
1998	\$349.00	\$7,124.00	4.2%	1998	286,300	11,000	4.00%
1999	\$349.00	\$7,114.00	-0.2%	1999	285,500	(800)	-0.30%
2000	\$341.00	\$6,963.00	-2.1%	2000	285,900	400	0.10%
2001	\$342.00	\$6,983.00	0.3%	2001	289,400	3,500	1.20%
2002	\$349.00	\$6,838.00	-2.1%	2002	282,700	(6,700)	-2.30%
2003	\$361.00	\$6,808.00	-0.4%	2003	281,790	(910)	-0.30%
2004	\$369.00	\$6,968.00	2.4%	2004	282,760	970	0.30%
2005	\$380.00	\$7,172.00	2.9%	2005	285,320	2,560	0.90%
2006	\$356.30	\$7,271.50	1.3%	2006	288,985	3,665	1.30%
2007	\$409.00	\$7,708.00	4.0%	2007	294,725	5,740	2.00%
2008	\$425.00	\$8,016.00	4.0%	2008	300,515	5,790	2.00%
<i>Source: Data for 1998-2001 are from the Kansas Department of Revenue. Forecasts for 2002-2008 were produced by the Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.</i>				<i>Source: Data for 1998-2001 are from the Kansas Department of Revenue. Forecasts for 2002-2008 were produced by the Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University.</i>			
<i>The state tax rate rose from 4.9% to 5.3% effective July 1, 2002.</i>							



## CELEBRATING 100 YEARS OF FLIGHT

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### **"Bee 1 Bomber"**

**Artist:** Sculptors of the Plains  
**Where:** City Hall  
455 N. Main (Central & Main)  
**Sponsor:** Arts Council  
**Benefits:** Arts Council Youth Programming

### **"Airplane Bungalow"**

**Artist:** Rebecca Hoyer  
**Where:** Wichita Boathouse  
335 W. Lewis  
**Sponsor:** City of Wichita  
**Benefits:** Wichita Tree Trust



### **"The Air Capitol's Flying Extravaganza"**

**Artist:** Justin Gabriel McInteer  
**Where:** Mid-Continent Airport  
1600 Airport Road  
**Sponsor:** Ryan International Airlines, Inc.  
**Benefits:** Kansas Aviation Museum

Nearly all policies and actions of the City of Wichita involve resource allocation. Central to the allocation process is the development of financial trends and the annual operating and capital improvement program budgets.

### The Budget Cycle

The City of Wichita utilizes a two-year rolling budget cycle, meaning that revenue and expenditure budgets are prepared annually by fund, and revised for the next two calendar years. The City Manager submits a proposed budget to the City Council for their consideration. The proposed budget revises the current year budget, proposes a budget for the ensuing fiscal year and projects a budget for the second succeeding year.

In accordance with state law, the City submits the annual budget to the state for certification of each fund. If increased expenditure authority is needed for any fund in the revised budget, the City Council must formally approve a revised budget and re-certify of that fund to the state, following the re-certification process prescribed in state law.

While the City is developing the annual operating budget, a parallel process is taking place with respect to the Capital Improvement Program (CIP). Shortly after the operating budget is adopted, the CIP is presented, outlining the City's 10-year program for planned capital investments and the means of financing the planned projects.

### THE BUDGET CALENDAR FOLLOWS THIS GENERAL SCHEDULE

**January – March.** Prior-year actual expenditures and revenues are reviewed, trends are analyzed, revenues are projected, wages and benefits are calculated, and base budgets are developed.

**March – June.** Financial assumptions and budget targets are communicated to Department Directors. Operating and capital budgets are developed by departments, submitted to and reviewed by City Budget staff, and are forwarded to and considered by the Budget Review Cabinet, which consists of senior City staff appointed by the City Manager. The City Manager conducts a final review, makes final changes and prepares the budget policy message.

**July.** The City Manager's recommended operating budget is presented to the City Council.

**July – August.** Public hearings are held weekly on the operating budget and at special meetings and workshops. City staff members respond to requests from the City Council, District Advisory Boards and other community groups.

**Mid August.** After the publication of a ten-day notice of hearing in the official newspaper, a final hearing is held and the budget is formally adopted. After the notice of hearing has been published, the budgeted expenditures for each fund may not be increased, although other changes may be enacted.

**August 25.** Certification of the operating budget is made to the State of Kansas.

**Throughout August and early September.** The Capital Improvement Program is presented and comments are received, generally in a bi-annual process.

**Fall.** The City Manager's Proposed Capital Improvement Program is distributed.

**Mid or late fall.** The Capital Improvement Program is presented to the City Council. (The Capital Improvement Program process is explained in greater detail in this document in the section titled "Debt Service Fund and Capital Projects".)



## State Laws and Accounting Practice

Statutes of the State of Kansas govern the operating budget process. Among other provisions, the budget law states that cities must:

- prepare annual, itemized budgets;
- account for the prior, current, and ensuing year in specific ways;
- maintain fund balances within prescribed limits;
- hold a formal hearing, with appropriate publication and notice;
- complete the process and submit the budget by August 25; and
- not exceed adopted expenditure authority without approval through a formal amendment process.

The cash-basis law provides that cities may not pay any obligation in excess of the amount of funds actually on hand in the treasury at the time for the indicated purpose. Under state law, and according to accepted accounting principles, accounts of the City are organized by funds and groups of accounts. This means that:

- each fund is a budget and for accounting purposes has its own set of revenues and expenditures, which must balance;
- expenditures within each fund are limited to the specific purposes of that fund; and,
- resources or revenues in excess of current expenditures are not available for expenditures in other funds.

The State of Kansas statutes, as well as the Summary of Significant Accounting Policies and Description of Funds, are presented in the "Other Information" section following the fund summaries in this document.

## Factors Influencing the Budget Development Process

The amount of available funding determines much of the budget process. Since future revenues cannot be known for certain, the framework for the whole budget development process, in effect, is built upon assumptions about the City's economic and financial future.

**Revenue Projections.** The first step in the budget development process is the projection of revenues by City staff. Trends in the performance of each revenue source are studied, and economic conditions and events that could alter the projections are considered.

By March of each year, the best assumptions about many future revenue sources must be "put on the table." The revenue assumptions become the basis of each fund's projection in the Financial Plan.

## BUDGET REVISIONS, AMENDMENTS AND ADJUSTMENTS

Early in the year and concurrent with the development of financial trends and projections, the process begins to revise the current year budget and develop the next year's operating budget. Revisions incorporate the latest available information for revenue and expenditure estimates. In addition, the revisions ensure that the planned programs and service levels conform to any new City Council policies.

**BUDGET AMENDMENTS.** Under Kansas law, the City Council may amend an adopted budget during an operating year, if unforeseen circumstances create a need to increase the expenditure authority of a fund or budget. A ten day official notice is published and a public hearing is held before the City Council.

**BUDGET ADJUSTMENTS.** During the year, budget adjustments in amounts less than \$25,000 are made within funds administratively, as actual program costs develop. Budget adjustments greater than \$25,000, or adjustments that change the intent of a program expenditure are brought to the City Council for action.

## FACTORS IMPACTING THE BUDGET DEVELOPMENT

- Revenue projections, trends and assumptions
- Prior choices, such as policy decisions, programs, and debt obligations
- New needs in the community
- Community preferences
- Limitations imposed by state and federal legislation, the national economy and natural resources

Many factors affect revenues, including weather conditions (especially important for electric, gas and water utility franchise taxes); legislative proposals related to state-shared revenues (local ad valorem tax reduction fund revenues, motor vehicle and gas taxes); and local economic conditions (influencing the sales tax revenue stream as well as other sources). Economic indicators used in preparing the financial projections and budget are included in the "Other Information" section of this document.

Forecasting revenues is one of the most difficult tasks the City has in preparing a budget. If assumptions are too optimistic, policy makers may adopt programs that will not be supported by actual revenues in the coming year. If assumptions are too pessimistic, the budget process becomes constrained by the need to reduce programs and expenditures, or to find new revenue sources, including tax increases.

Assumptions are stated at the beginning of the General Fund presentation because of their importance in the budget process. The assumptions not only provide a benchmark for adjustments in the actual year of operation, but also allow other interested citizens to challenge and improve on the assumptions as the budget is being reviewed.

**Prior Choices.** The budget process is shaped by many policy decisions and guidelines established by the City Council. For example, the Council monitors the reserve for the General Fund and has determined to maintain levels that do not fall below a minimum of 10 percent of annual revenues. The reserve is thought to be a prudent “savings account” for unforeseen emergencies or shortfalls caused by revenue declines.

Programs supported in the current operating budget represent prior Council commitments that must be continually evaluated to determine if the programs should be sustained, altered, reduced, or eliminated altogether. Reallocations of personnel or equipment, and other modifications involving levels and methods of service delivery in ongoing programs must be undertaken with sensitivity to community

preferences, in addition to minimizing disruption to all individuals involved in producing or receiving the service.

Debt obligations that have been assumed to pay for the City’s streets and bridges, water and sewer systems, park system, and facilities are another prior choice important in the budget development process. Property tax support for debt service, as a matter of City Council policy, amounts to ten mills, or roughly one-third of all property taxes paid by taxpaying residents in the City.

Closely related to decisions on new debt obligations are the ongoing costs assumed with new capital projects. Future costs of heating and maintaining new buildings, and keeping roads and streets in good condition will add to the annual operating costs.

**New Needs, Preferences and Limitations.** Finally, new needs and policy directions, as well as unexpected constraints, shape the over-all budget process. Among the most important on the agenda for the City have been public safety and support for community policing and maintenance of the City and infrastructure.

Meeting unexpected costs of programs mandated by the federal and state governments, as well as providing for future employee compensation, continue to be critical issues. These and other policy matters are addressed in the City Manager’s letter, or policy message, which focuses the City Council and citizens on the important decisions encompassed in the operating budget.

The organization of the budget document is, systematically from front to back, moving from the broadest perspective of service by department to fund specific information. The document is arranged by department with the final section providing reference information to enhance readers' understanding of overall concepts. A companion detail budget document provides specific, in-depth information relative to department line-item budget and funds.

**The City Manager's Policy Message** is the focal point of the entire document. The City Manager's Policy Message presents in policy format the issues facing the City along with the City Manager's recommendations for addressing the issues through the budget.

**The City Profile** provides a historical outline of the City of Wichita. In addition, the City Profile reports demographic information, as well as information on industry and employment. Selected measures and projections of community growth that have assisted the budget process are reported in the City Profile.

**The Budget Process** provides a budget calendar and basic information about the budget process.

**Summaries of Revenues and Expenditures** are in the following section. Often called the City's "Total Operating Budget," the summaries in fact are a combined presentation of operating budgets (or legal funds) that are established as locally funded operations. Trust funds, grant funds and capital funds are not included.

The largest section of the budget document contains **department presentations**. Each department or unit presentation includes budget highlights, an overview of the services provided, a discussion/analysis of the financing and operations issues and a selected key performance data.

The final section of the budget document contains **Other Information**, and provides supplementary detail for the rest of the document.

## Budget Documents

Altogether, several documents are produced to be used as tools in the financial planning and policy making process, and are available as references during the implementation of programs.

The City of Wichita Financial Plan presents economic and financial assumptions, preliminary revenue projections, current level expenditure estimates and balances for five years into the future (generally prepared in the spring of each year).

- The **Proposed Annual Budget** contains the City Manager's proposal to meet the City's operating needs for a two-year (continually rotating) period, along with revenue estimates and decision points for City Council action (published in July). A companion publication, the **Proposed Budget Detail**, provides detailed revenue and expenditure information.
- The **Adopted Annual Budget** contains the operating expenditure limits (by fund) approved by the City Council and certified to the State of Kansas for the coming calendar year (published in November). The companion detail publication is the **Adopted Annual Budget Detail**.
- The **Capital Improvement Program** (CIP) provides the ten-year program for planned capital projects and the means of financing them.

**Governmental Funds.** Governmental funds are used to account for operations that rely mostly on current assets and current liabilities.

- The **General Fund** finances the largest portion of current operations. General Fund operations are Police, Fire, Public Works, Park, Library, Law, Municipal Court, Finance, Health, City Council, City Manager and General Government. Primary funding sources are property taxes, motor vehicle taxes, franchise taxes, intergovernmental aid and user fees.
- The **Debt Service Fund** accounts for the payment of interest and principal on long-term general obligation (GO) debt. Sources of funding include property taxes, special assessments, sales tax, bond proceeds, interest earnings and miscellaneous sources.

**Special Revenue Funds** finance specified activities from a dedicated revenue source and are presented in the Detail Budget after General Fund activities within each department presentation.

- The **Tourism and Convention Fund** supports convention and tourism promotion with monies collected through the transient guest tax.
- The **Trolley Fund** receives contributions, charter income, fares, and other revenues to finance operating and maintenance costs of five trolleys.
- The **Special Alcohol Programs Fund** receives a dedicated portion of state-shared alcohol liquor tax revenues, which are reserved only for services or programs dealing with alcoholism and drug abuse prevention and education.



- The **Special Parks and Recreation Fund** receives a portion of state-shared alcohol liquor tax for the support of park and recreational services, programs and facilities.
  - The **Ice Rink Management Fund** uses revenues received from the operation of Wichita Ice Sports to offset the expense of contract management for the facility.
  - The **Landfill Fund** receives income through a lease agreement with a private contractor, to support activities at refuse disposal sites and environmental management needs.
  - The **Landfill Post Closure Fund** exists to satisfy a statutory requirement of contingent resources enough to remediate environmental hazards emanating from the City's closed landfill. The resources were accumulated during the operation of the landfill, are enhanced through investment, and must be maintained throughout a thirty year liability period.
  - The **Central Inspection Fund** utilizes building permit and license fees to monitor and regulate compliance with City codes on building construction, housing maintenance, signs and zoning.
  - The **Economic Development Fund** provides management for the City's ongoing capital financing program as well as the administration for special financing projects.
  - The **Sales Tax Construction Pledge Fund** receives one-half of the City's local sales tax distribution, which has been pledged to support the City's transportation infrastructure. Resources are used to support debt obligations in the Debt Service Fund for selected freeway, arterial, and bridge projects, and thereafter to cash finance other qualifying and designated transportation projects.
  - The **Property Management Fund** utilizes rental revenues and other earnings to acquire, manage, and dispose of City-owned properties.
  - The **State Office Building Fund** uses building and garage rent payments and parking space revenues to manage custodial and maintenance functions of the State Office Building.
  - The **Tax Increment Financing Fund (TIF Districts)** receives support from a property tax increment in defined districts to fund remediation and clean-up of groundwater contamination, and fund redevelopment projects to prevent or alleviate blighted areas. Districts established to eliminate groundwater contamination also receive funding from potentially responsible parties to assist with the clean-up efforts.
  - The **Self-Supporting Municipal Improvement District (SSMID)** was created by the City Council in 2000 as a benefit assessment district to improve and convey special benefits to properties in downtown Wichita. The SSMID Fund provides the accounting mechanism for the revenues and distributions of the district.
  - The **City/County Joint Operations Fund** supports the Metropolitan Area Planning Department and maintenance of the Wichita-Valley Floodway Project. Both operations are jointly financed by the City/County (less any self generating revenue), but are administered within the City's organization.
  - The **Art Museum Board Fund** segregates the annual General Fund subsidy given to the Art Museum, allowing these resources to carryover to subsequent fiscal years, earn interest, and maintain a cash reserve for accrued liabilities (vacation and sick leave) and for emergencies.
- Enterprise Funds** are used for government functions that are self-supporting. Enterprise funds belong to the group of funds called "proprietary," and are operated much like a business, with a balance sheet for all long-term debt obligations, assets and liabilities. These funds provide services to the community at large, in contrast with internal service funds (another kind of proprietary fund that provides services within the City organization). Each enterprise operation receives revenues from the sale of services or user fees. The operations generally do not receive tax support, except for Transit, which receives a subsidy from the General Fund.
- The City has six enterprise funds:
- The **Wichita Airport** provides facilities for air transportation services for the public, business and industry.
  - The **Golf Course System** provides five public golf facilities that are supported by user fees.
  - The **Sewer Utility** operates and maintains the sewer component of the combined Water and Sewer Department, including wastewater treatment plants.
  - The **Water Utility** operates and maintains the water component of the combined Water and Sewer Department, treating and distributing a safe, reliable supply of water from the equus beds (aquifer) and Cheney Reservoir (surface water).
  - The **Storm Water Utility** is responsible for the construction and maintenance of the City's storm water system.

- **Wichita Transit** provides public bus service through regular fixed route services and special charter (point-to-point) services.

**Internal Service Funds** provide services for City departments at cost. Like enterprise funds (which provide services externally), internal service funds belong to the “proprietary” group of funds. The funds are operated like a business, with a balance sheet for all assets, current liabilities and long-term obligations.

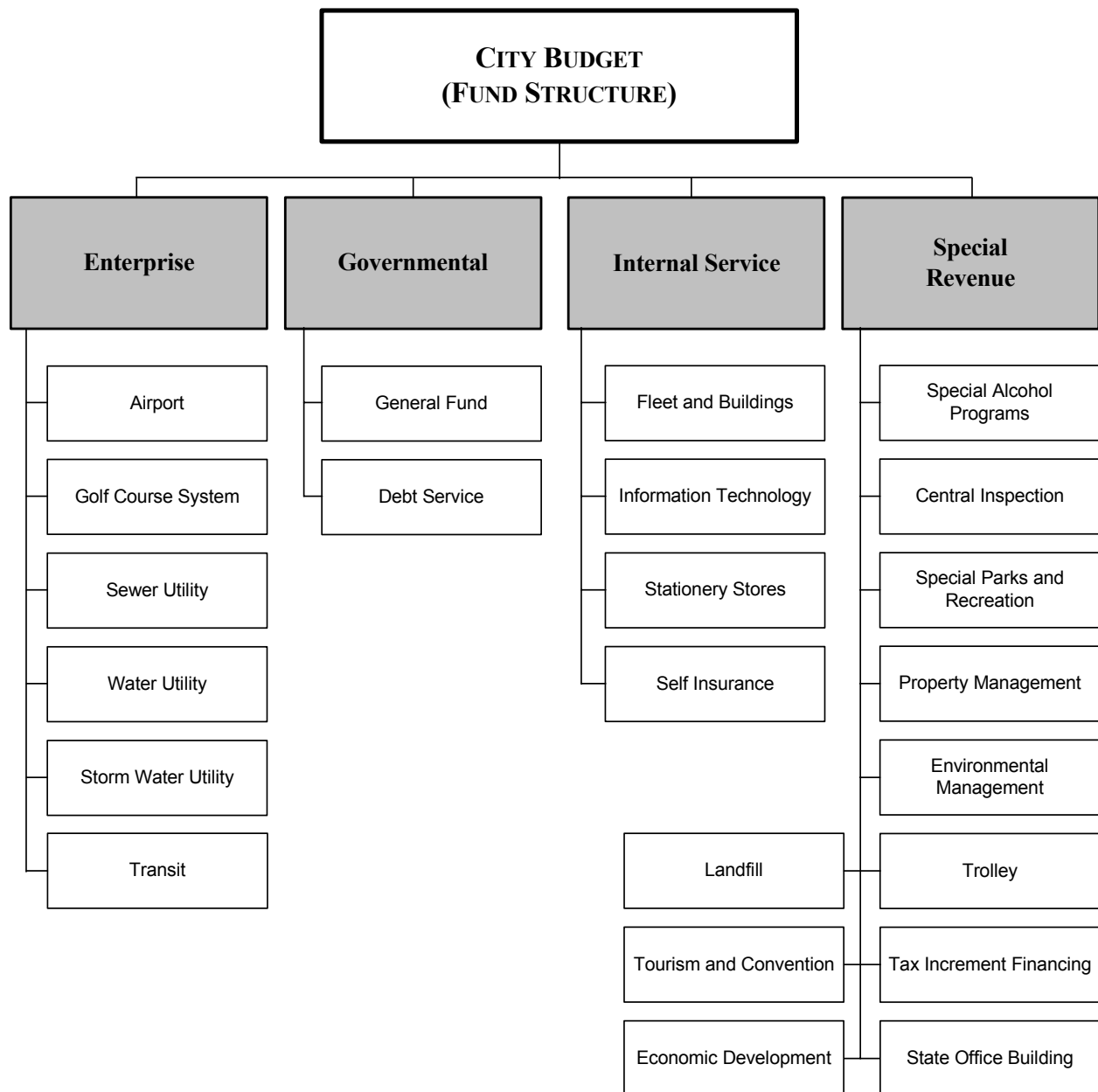
The City has four internal service funds:

- **Fleet** includes coordinates the equipment motor pool and central maintenance facility.
- **Information Technology** coordinates the City's office automation and data processing, and provides centralized management of the large digital switch, long distance usage, smaller telephone systems, and other telecommunications.
- **Stationary Stores** provides all departments with office supplies, mail service, and microfilming at the most economical cost.
- **Self-Insurance** accounts for the self-insurance programs of health, workers' compensation, group life, employee liability, property damage and general liability.

**Trust Funds** are established when the City is custodian of monies that are to be reserved and used for a specific purpose. The budget document presents selected trust funds that are expended according to the conditions of the trusts.

- The **Wichita Employees' Retirement Fund** provides a pension program for noncommissioned employees. The City's contribution is budgeted within the operating departments.
- The **Police and Fire Retirement Fund** provides a pension program for commissioned Police and Fire personnel. The City's contribution to this pension program is budgeted within the operating departments.
- The **Cemeteries Trust Fund** uses interest earnings and charges for services to maintain the Highland Park and Jamestown cemeteries.

The chart on page 17 provides a graphic representation of the fund structure utilized in the City budget. Efforts have led to a consolidation of funds (for example, more than a dozen property tax supported funds have now been consolidated into the General Fund and Debt Service Fund). Fund consolidation, along with automated data system accounting, allows improved management and costing of programs (and cost recovery where appropriate) and maximizes City Council financial flexibility in policymaking.



City of Wichita  
Department of Finance  
July 2002

**2004/2005 ANNUAL OPERATING BUDGET CALENDER**

<b>Fiscal 2004</b>	<b>Action</b>
March 17	Budget instructions for 2004/2005 operating budget sent to departments
April 21	Final budget submittals due from departments
May 19-28	Budget Review Cabinet meets on the 2004/2005 operating budget
May 27	Financial plan overview presented to the City Council.
June 2 – June 16	City Manager reviews the 2004/2005 operating budget
<b>July 8</b>	<b>Distribution of City Manager's Proposed 2004/2005 Annual Operating Budget</b>
July 15	Hearing on the 2004/2005 operating budget
July 22	Hearing on the 2004/2005 operating budget
August 1	Publication of notice of final hearing on the 2004 annual operating budget
August 5	Hearing on the 2004/2005 operating budget
August 12	City Council formal hearing and adoption of the 2004 operating budget. City Council fixes levy and authorizes publication notice on the 2004 annual operating budget.
August 25	Filing of levies and 2004 budget with Sedgwick County Clerk (K.S.A. 79-1801 and 79-2930)

## CITY COUNCIL MEMBERS

Carlos Mayans	Mayor	268-4331	455 N. Main, 67202
Sharon Fearey	Vice Mayor (VI)	303-8042	*2700 N. Woodland, 67207
Carl Brewer	Council Member (I)	303-8017	*2755 E. 19th, 67214
Sue Schlapp	Council Member (II)	268-4331	455 N. Main, 67202
Phil Lambke	Council Member (III)	303-8029	*2820 S. Roosevelt, 67210
Paul Gray	Council Member (IV)	303-8008	*455 N. Main, 67202
Bob Martz	Council Member (V)	268-4331	455 N. Main, 67202

\*Council Members can be reached at the Neighborhood City Hall as well as City Hall at 455 N. Main, 268-4331.

## CITY DEPARTMENTS &amp; DIRECTORS

City Manager	268-4351	Chris Cherches, City Manager
General Government	268-4351	Cathy Holdeman, Assistant City Manager
Airport	946-4700	Bailis Bell, Director of Airports
Art Museum	268-4977	Charles A. Steiner, Director of Art Museum
Central Inspection	268-4460	Kurt Schroeder, Superintendent of Central Inspection
Finance	268-4300	Kelly Carpenter, Acting Director of Finance
Fire	268-4451	Larry Garcia, Fire Chief
Environmental Health	268-8401	Jack Brown, Director of Environmental Health
Housing Services	268-4687	Mark Stanberry, Acting Director of Housing Services
Information Technology	268-4318	Kirk Swilley, Chief Information Officer
Law	268-4681	Gary Rebenstorf, Director of Law & City Attorney
Library	261-8500	Cynthia Berner-Harris, Director of Libraries
Municipal Court	268-4611	Kay Gales, Court Administrator
Park	268-4361	Doug Kupper, Director of Park and Recreation
Personnel	268-4531	Karen Marshall, Personnel Director
Planning	268-4421	John Schlegel, Director of Planning
Police	268-4158	Norman Williams, Chief of Police
Public Works	268-4497	Steve Lackey, Director of Public Works
Transit	265-1450	Jay Banasiak, General Manager
Water and Sewer	268-4504	David Warren, Director of Water and Sewer

**Note:** All phone numbers are within the 316 area code.





## CELEBRATING 100 YEARS OF FLIGHT

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### “Steer Crazy After All These Years”

**Artist:** Randy Newby  
**Where:** Sedgwick Co. Zoo, Front Plaza  
555 W. Zoo Blvd.  
(Zoo Blvd. & I-235)  
**Sponsor:** Arts Council  
**Benefits:** Arts Council Youth Programming

### “Music Takes Wing”

**Artist:** Eugene Holdsworth  
**Where:** North Branch YMCA  
3330 N. Woodlawn  
(Woodlawn & K-96)  
**Sponsor:** DeVore Foundation  
**Benefits:** YMCA



### “High Finance”

**Artist:** Deborah Dimmick  
**Where:** Towne East Square, Inside  
7700 E. Kellogg  
(Kellogg & Rock Road)  
**Sponsor:** Arts Council  
**Benefits:** Arts Council Youth Programming

Revenues by Type 2002 - 2005

SOURCES BY TYPE	2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
General property taxes	71,441,102	74,417,450	74,418,440	81,736,330	84,773,450
Motor vehicle tax	11,107,609	11,002,270	11,045,880	11,266,800	11,492,130
Local sales tax	40,952,104	42,430,740	40,952,100	41,771,140	42,815,420
Gas tax	15,222,590	15,229,770	14,369,460	14,656,850	14,949,980
Franchise fees	28,792,310	31,308,880	29,760,570	29,840,690	30,497,150
Water/Sewer utility fees	63,173,685	65,136,110	62,698,010	64,837,020	67,008,020
Other enterprise fees	9,929,751	8,413,490	7,977,260	8,126,220	8,372,540
Internal service revenues	41,477,584	46,659,520	45,700,690	51,166,310	54,900,080
Special assessments	25,745,491	24,721,660	24,915,690	23,722,350	22,677,530
Operating grants / shared revenues	17,629,241	11,256,320	5,883,440	5,940,030	6,118,060
Transient guest tax	4,360,960	4,541,680	4,439,570	4,321,670	4,364,890
Fines and penalties	8,139,288	9,176,940	9,302,150	9,476,760	9,426,760
Licenses and permits	7,124,352	5,850,650	6,189,430	6,783,920	6,814,490
Interest earnings	7,792,174	9,004,690	7,570,460	7,677,220	7,264,480
Charges for services and sales	18,203,380	17,974,010	19,624,040	19,441,780	19,973,480
Rental income	13,802,667	14,253,280	13,773,450	14,116,850	14,356,750
Administrative charges	2,567,658	3,075,110	3,178,110	3,184,210	3,192,140
Other revenues and transfers in	34,256,087	30,793,810	28,668,920	26,066,900	26,765,260
<b>Grand total sources</b>	<b>421,718,032</b>	<b>425,246,380</b>	<b>410,467,670</b>	<b>424,133,050</b>	<b>435,762,610</b>
Interfund transactions	67,895,253	68,328,010	70,564,270	74,740,620	78,742,110
<b>Net annual budget sources</b>	<b>353,822,779</b>	<b>356,918,370</b>	<b>339,903,400</b>	<b>349,392,430</b>	<b>357,020,500</b>

Due to GASB 34 several trust funds were reassigned as special revenue funds, beginning in 2002. Comparisons to years prior to 2002 will be skewed as a result.

## Expenditures by Category 2002 - 2005

		2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
110	Regular Salaries	99,173,386	109,336,440	106,370,595	110,113,460	112,855,990
120	Special Salaries	5,710,115	5,654,260	3,328,070	3,436,620	3,507,950
130	Overtime	5,417,305	2,729,480	2,676,040	2,397,650	2,397,650
140	Employee Benefits	28,463,853	32,676,000	31,273,827	34,481,290	37,240,360
150	Planned Savings	4,664	(2,762,930)	(314,140)	(2,167,750)	(2,489,380)
<b>Personal Services</b>		<b>138,769,323</b>	<b>147,633,250</b>	<b>143,334,392</b>	<b>148,261,270</b>	<b>153,512,570</b>
210	Utilities	12,796,997	14,778,060	14,020,100	14,019,430	14,018,690
220	Communications	1,722,296	1,757,200	1,683,030	1,675,540	1,706,290
230	Transportation and Training	579,132	580,900	529,630	440,690	441,140
240	Insurance	1,712,897	1,594,980	1,624,260	1,633,680	1,633,620
250	Professional Services	28,681,066	30,359,990	28,823,339	24,604,960	25,804,000
260	Data Processing	4,714,958	4,921,090	4,835,370	5,068,310	5,060,020
270	Equipment Charges	8,415,184	8,440,210	7,246,670	8,519,040	8,559,780
280	Buildings and Grounds Charges	1,580,691	1,774,300	1,744,780	1,576,760	1,738,340
290	Other Contractuals	3,883,330	4,850,480	5,590,599	4,313,750	4,333,200
<b>Contractuals</b>		<b>64,086,550</b>	<b>69,057,210</b>	<b>66,097,778</b>	<b>61,852,160</b>	<b>63,295,080</b>
310	Office Supplies	423,687	520,720	502,330	488,470	488,470
320	Clothing and Towels	573,819	690,600	649,120	684,140	684,150
330	Chemicals	2,237,961	2,553,160	2,354,710	2,361,280	2,371,780
340	Equipment Parts and Supplies	3,140,443	3,420,080	3,565,690	3,485,780	3,528,930
350	Materials	1,771,984	2,942,140	2,918,580	2,855,810	2,942,810
370	Building Parts and Materials	670,368	450,940	474,280	484,150	484,150
380	Non-capitalizable Equipment	2,251,079	2,191,180	2,103,640	2,287,660	2,310,020
390	Other Commodities	198,892	755,990	716,220	670,950	670,950
<b>Commodities</b>		<b>11,268,234</b>	<b>13,524,810</b>	<b>13,284,570</b>	<b>13,318,240</b>	<b>13,481,260</b>
410	Land	100,500	0	0	0	0
420	Buildings	34,816	489,580	491,980	938,560	91,000
430	Improvements Other Than Bldgs.	0	30,000	91,000	17,000	30,000
440	Office Equipment	235,099	442,530	321,070	162,810	158,850
450	Vehicular Equipment	1,176,240	1,349,050	1,095,900	828,000	1,416,600
460	Operating Equipment	3,770,146	1,369,200	1,712,400	1,518,310	1,574,510
<b>Capital Outlay</b>		<b>5,316,801</b>	<b>3,680,360</b>	<b>3,712,350</b>	<b>3,464,680</b>	<b>3,270,960</b>
510	Interfund Transfers	23,094,490	22,983,340	21,051,190	21,262,220	19,468,990
520	Debt Service	72,374,111	84,997,480	86,358,950	109,419,260	92,129,370
530	Other Nonoperating Expenses	6,716,107	9,762,380	4,908,140	8,482,180	7,652,680
540	Inventory Accounts	440,548	1,380,850	1,606,950	1,606,950	1,606,950
<b>Other</b>		<b>102,625,257</b>	<b>119,124,050</b>	<b>113,925,230</b>	<b>140,770,610</b>	<b>120,857,990</b>
<b>Total Expenditures</b>		<b>322,066,164</b>	<b>353,019,680</b>	<b>340,354,320</b>	<b>367,666,960</b>	<b>354,417,860</b>

**Expenditures by Funds 2002 - 2005**

EXPENDITURES BY FUND	2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
General Fund	152,016,682	161,122,590	155,307,390	160,089,470	164,747,650
Debt Service	53,278,686	62,642,090	62,636,580	82,221,880	63,375,770
<b>Total tax levy funds</b>	<b>205,295,368</b>	<b>223,764,680</b>	<b>217,943,970</b>	<b>242,311,350</b>	<b>228,123,420</b>
Tourism & Convention Promotion	4,622,235	4,642,950	4,484,630	4,368,660	4,406,480
Downtown Trolley System *	109,587	140,410	140,180	141,360	142,240
Special Alcohol Programs	1,825,270	1,316,260	1,314,850	1,454,920	1,354,920
Special Parks & Recreation	1,165,350	1,398,170	1,398,170	1,386,980	1,348,460
Ice Rink Management *	1,477,833	2,500,000	2,500,000	1,600,000	1,600,000
Landfill	3,174,465	1,116,460	1,634,940	677,040	679,500
Landfill Post Closure *	4,901,294	8,601,380	1,574,660	1,732,880	1,902,910
Central Inspection	5,191,657	5,773,790	5,131,480	5,289,400	5,429,140
Economic Development *	3,764,502	2,095,970	4,167,020	768,810	698,420
Sales Tax Construction Pledge *	19,602,625	22,269,380	22,269,380	23,543,330	21,547,930
Property Management Operations	1,282,851	1,831,270	1,701,800	2,047,460	1,247,390
State Office Building Complex	1,063,072	1,281,430	1,279,640	1,283,210	1,188,040
TIF Districts	4,527,206	5,865,680	5,527,960	7,161,690	8,153,440
SSMID	467,338	495,000	495,000	510,000	520,000
City/County Joint Operations *	4,326,458	3,147,010	2,883,610	3,055,980	3,181,600
Art Museum Board *	1,192,504	1,395,370	1,299,990	1,282,460	1,281,240
Cemetery Fund *	26,956	29,400	29,400	29,400	29,400
<b>Total special revenue funds</b>	<b>58,721,204</b>	<b>63,899,930</b>	<b>57,832,710</b>	<b>56,333,580</b>	<b>54,711,110</b>
Airport	11,995,471	10,960,530	11,671,590	11,831,180	12,186,940
Golf Course Operations	3,160,625	4,483,200	4,552,740	4,644,990	4,715,900
Transit	4,748,429	5,176,840	5,052,840	5,242,310	5,398,280
Sewer Utility Operations	23,832,402	26,100,810	26,797,990	29,208,370	30,812,700
Water Utility Operations	30,950,920	35,311,200	35,306,500	37,990,750	38,921,590
Storm Water Management	5,079,477	6,021,570	6,091,260	6,904,270	6,503,660
<b>Total enterprise funds</b>	<b>79,767,324</b>	<b>88,054,150</b>	<b>89,472,920</b>	<b>95,821,870</b>	<b>98,539,070</b>
Information Technology	4,952,057	7,829,970	7,817,010	8,134,130	7,239,380
Equipment Motor Pool	9,631,009	10,531,440	10,987,310	11,034,220	10,899,870
Stationery Stores	1,591,186	1,072,240	1,069,540	1,027,170	1,028,460
Self Insurance	23,163,029	29,359,630	28,466,740	32,781,780	36,849,550
<b>Total internal service funds</b>	<b>39,337,280</b>	<b>48,793,280</b>	<b>48,340,600</b>	<b>52,977,300</b>	<b>56,017,260</b>
<b>Gross expenditures</b>	<b>383,121,176</b>	<b>424,512,040</b>	<b>413,590,200</b>	<b>447,444,100</b>	<b>437,390,860</b>
Interfund transactions	61,055,012	71,492,360	73,235,880	79,777,140	82,973,000
<b>Net annual budget uses</b>	<b>322,066,164</b>	<b>353,019,680</b>	<b>340,354,320</b>	<b>367,666,960</b>	<b>354,417,860</b>

\* These funds were formerly trust funds. As a result of GASB 34 they have been reassigned as special revenue funds, beginning in 2002. They are presented here with financial information for years prior to 2002 for reference and comparative purposes.

Note: Totals exclude appropriated fund balance reserve. Trust Funds and Enterprise Construction Funds are also excluded.

**REVENUE ASSUMPTIONS****Revenues (overall) ...**

- ❑ will grow at an average 3% annually through the planning period (2004-2008). Since 1990, on an actual basis, revenues increased an average 3.1% annually.
- ❑ are substantially affected by decreases in intergovernmental aid from the state (demand transfers) and a lackluster economy, partially offset by strong growth in property valuation and several small revenue enhancements.

**Current property taxes ...**

- ❑ will grow at 7.97% in 2004. One of the few very favorable trends in the revenue portfolio. It was previously assumed that property value increases would slow to 3.5% in 2004. That assumption was based on apparent trends in valuation and the economic news of local workforce reductions and the notion that interest rates had bottomed out, suggesting lower demand for residential and commercial real estate. That has not happened. Furthermore, there appears to have been a genuine paradigm shift in the valuation process. Prior to 1997, valuation growth rarely exceeded 3% and never exceeded 4% (actually averaging less than 2% annually); since 1997, growth has steadfastly exceeded 4% and often exceeds 5%.

Year	City	County
1994	-1.5%	-0.5%
1995	2.7%	2.7%
1996	1.1%	2.7%
1997	3.8%	4.1%
1998	4.5%	6.0%
1999	4.9%	5.1%
2000	7.9%	6.0%
2001	9.5%	7.3%
2002	5.4%	5.1%
2003	4.2%	3.7%
10 yr avg	4.3%	4.2%

- ❑ will grow at 4% annually in 2005 through 2008, and assumes **no change in the taxing rate**.
- ❑ have been skewed in recent years by aggressive annexation activity. In the accompanying table, the county growth rate is more indicative of actual growth (exclusive of annexation activity).

**Franchise fees ...**

- ❑ for utilities as a group are projected to increase 0.3% in 2004. Through the balance of the planning period (2005-2008) franchise fees will increase 2.6% annually. The actual annual growth rate since 1996 has been 1.7%.
- ❑ include many of the City's more economically sensitive revenue sources, including cable and telecommunication services. In addition to consumers being more "use conscious" during periods of economic duress, they also minimize dependence on discretionary items such as cable television and a second or third phone line.
- ❑ assume normal climate and weather patterns.
- ❑ reflect increases in water and sewer fees based upon projected rate increases, as reported in the respective fund presentations.
- ❑ assume KGE franchise fees will increase 3% annually now that all the rate reductions have been fully implemented.
- ❑ assume natural gas franchise fees will increase 7% in 2003 and 2004 as a result of more severe temperatures early in 2003 and anticipated higher gas prices in the 2003/2004 winter months.
- ❑ assume continuing decline in SW Bell franchise revenues (-19% in 2003, -15% in 2004, and -10% in 2005) as the market continues to shift from land lines to wireless alternatives (for which the City cannot assess franchise fees).
- ❑ assume a decline in cable franchise fees for 2003 (-6%) as the effects of the FCC ruling to exempt cable modems from franchise agreements is absorbed for a full year (the ruling was made effective in the fall of 2002); thereafter, annual increases of 2% in 2004 and 3% in years 2005-2008 are expected.

**Motor vehicle property taxes ...**

- ❑ received to-date from the County Treasurer are lower than in 2002 by 1.2%.
- ❑ are assumed to grow at 0% in 2003 and 2% annually in 2004 and 2005.

**Local sales taxes ...**

- ❑ are expected to increase 0% in 2003, 2% in 2004, 2.5% in 2005, and an average 2.75% annually thereafter through 2008.
- ❑ are currently 3% lower than YTD 2002.



## Gas tax revenues ...

- ❑ are volume based on wholesale gallons sold. Higher prices and economic circumstances are expected to lower sales in the current year (-5.6%). The long-term forecast assumes 2% annual growth in 2004 and 2005, rebounding to growth of 2.5% annually thereafter.

## State-shared revenues ...

- ❑ include alcohol tax, highway link maintenance, and demand transfers (a statutorily-prescribed portion of state sales tax revenue set aside for distribution to local governments). Bingo fee revenue was eliminated by the state two years ago.
- ❑ are severely reduced in 2003 and in all future years by the state's elimination of demand transfers. This amounts to a revenue loss of more than \$6 million annually.

## Fines and penalties...

- ❑ are expected to increase 14% in 2003 due to enhanced traffic enforcement and fine increases imposed by the Municipal Court in mid-2002 (2002 included only 5 months of increased fines, 2003 will have 12 months collected under the new fine schedule).
- ❑ increases in 2004 will be 1.4%, due primarily to increased enforcement. No growth is expected in 2005, and a steady annual 2% growth is programmed thereafter.

## Licenses and permits ...

- ❑ show an artificially high increase in 2003 (25%) as a result of collapsing the Environmental Health activity into the General Fund. Previously, it was necessarily represented in a special revenue fund as part of the joint City-County Health Department.
- ❑ increase 13.2% in 2004, reflecting recommended increases in all diversion program fees.
- ❑ Include an increase of \$260,000 beginning in 2004, based on projected increases in license and alarm fee rates.

## Current sales and services ...

- ❑ consist mainly of Park admission and entry fees, pavement cut activity, engineering overhead charges, Police accident report fees, and animal control services.
- ❑ show an artificially high increase as a result of Environmental Health activity becoming part of the General Fund, particularly water quality inspections.
- ❑ additionally, the City Council approved increases in several street management permit fees recommended by the Public Works Department.
- ❑ are assumed to grow 13% in 2003, 2.4% in 2004, 0.6% in 2005, and 3% annually through the balance of the planning period (2006-2008).

- ❑ Include an additional \$250,000 in Park revenues, projected to be generated beginning in 2004.

## Administrative charges ...

- ❑ are designed to compensate the General Fund from non-General Fund activities for services rendered and expensed entirely from the General Fund, e.g., payroll and accounts payable functions.
- ❑ are developed annually by an external and independent auditing firm and updated during budget development.
- ❑ includes a significant amount (\$300,000) assumed to be received from capital projects for the first time in 2003.

## Transfers in ...

- ❑ are reviewed during the budget process and many items are adjusted to reflect changes in costs.
- ❑ are less in 2002 due to the closing of Brooks Landfill and the suspension of several solid waste programs that were offset from Landfill transfers into the General Fund.
- ❑ include Landfill funds in excess of currently estimated post closure obligations (\$690,180 in 2004 and \$845,530 in 2005).

## Interest earnings ...

- ❑ are calculated based on estimates of fund balance, cash flow, and available market rates.
- ❑ are expected to increase modestly in 2003 (2.1%) reflecting some rebound in market conditions in the latter half of the year, and are expected to grow 2.5% annually throughout the planning period.
- ❑ continue to be substantially below (-30%) the level of earnings in 2000 and 2001.

## EXPENDITURES:

### Expenditures (overall) ...

- ❑ will increase less than 3% annually in 2004 and 2005, but will likely increase an annual average of slightly more than 4% through the balance of the planning period.
- ❑ are impacted by inflation, growth-driven service requirements, and increases for health and other insurance.

### Personal services ...

- ❑ represent 69% of General Fund expenditures (up from just under 68% in the 2003 Adopted).

- ❑ are assumed to increase 4% annually between 2006 and 2008 (for base wages and wage-driven benefits such as pension, social security, and workers comp, but not including health insurance). This is a net assumption for all GPA and merit increases combined for FLSA exempt and non-exempt employees.
- ❑ assume a 20% and 15% increase in health insurance costs for 2004 and 2005, respectively, with an employer share of 75% of costs. Assumptions beyond 2005 are conservatively estimated at 10% annually.

### **Contractuals and commodities ...**

- ❑ increase in the current year budget due to shifting part-time/seasonal employees (currently budgeted in personal services) to contractual services. These employees are now hired through an employment agency to reduce workers' comp exposure.
- ❑ are expected to increase between 2% and 2.5% annually through the planning period (2004-2008).

### **Other expenditures ...**

- ❑ include contributions to the joint City-County operations (Planning and Flood Control), the Transit subsidy, Economic Development, Storm Water Utility subsidy (in 2003 only, and discontinued thereafter), Tort liability, Art Museum, and various capital projects. Also included is a \$900,000 subsidy for Frontier Airline.

### **Fund Balance (December 31) ...**

- ❑ based on the assumptions described, will be at 12.2% of annual expenditures at the end of 2003, 11.8% in 2004, 11.5% in 2005, 9.6% in 2006, 6.8% in 2007 and 3% in 2008.
- ❑ will marginally sustain current operating expenses, subsidies, and pending initiatives for the entire trending period; albeit with little or no margin for error.



## CELEBRATING 100 YEARS OF FLIGHT

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### **"Race with the Wind"**

**Artist:** Brenda Jones  
**Where:** Wichita Greyhound Park  
1500 E. 77<sup>th</sup> Street North  
(77<sup>th</sup> Street North & I-135)  
**Sponsor:** Wichita Greyhound Charities  
**Benefits:** Wichita Greyhound Charities

### **"Jerry B's Experimental"**

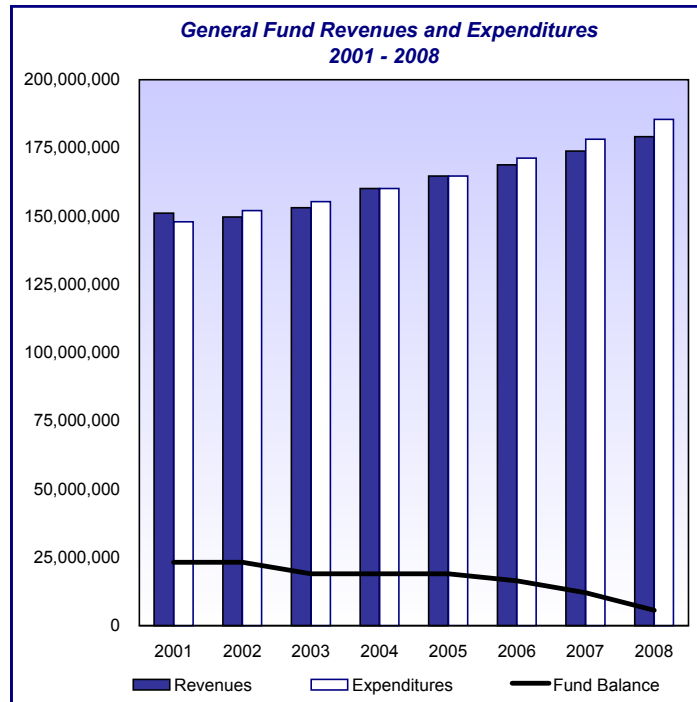
**Artist:** Tom McGuire & Norma Nicks  
**Where:** Clifton Square  
3700 E. Douglas Avenue  
(Clifton & Douglas)  
**Sponsor:** Baker Associates Inc.  
**Benefits:** Clifton Square Charitable  
Foundation



	2002 ACTUAL	2003 ADOPTED	2003 REVISED	2004 ADOPTED	2005 APPROVED
<b>Budgeted operating revenue:</b>					
General property taxes	45,349,272	47,555,320	47,484,230	51,488,040	53,528,560
Special assessments	21,349	17,440	21,350	21,350	21,350
Franchise fees	28,792,310	31,308,880	29,760,570	29,840,690	30,497,150
Motor vehicle tax	7,510,446	7,493,780	7,510,450	7,660,660	7,813,870
Local sales tax	20,476,052	21,165,190	20,476,050	20,885,570	21,407,710
Intergovernmental					
Gasoline tax	15,222,590	15,229,770	14,369,460	14,656,850	14,949,980
State-shared revenues	5,716,480	6,942,850	1,678,740	1,658,890	1,700,240
Licenses and permits	1,899,147	1,678,160	1,847,630	2,412,170	2,413,890
Fines and penalties					
Court	7,833,817	8,802,690	8,927,900	9,102,020	9,052,020
Other	305,471	374,250	374,250	374,740	374,740
Rental income	2,370,924	2,539,600	2,467,870	2,442,070	2,394,170
Interest earnings	2,721,857	3,565,350	2,777,990	2,746,910	2,917,430
Charges for services and sales	6,439,551	6,534,130	7,073,750	7,523,190	7,748,790
Administrative charges	2,567,658	3,075,110	3,178,110	3,184,210	3,192,140
Transfers from other funds	2,262,840	3,004,340	3,223,530	5,445,980	5,666,400
Reimbursed expenditures	255,497	1,835,730	1,978,400	646,130	1,069,210
<b>Total budgeted operating revenues</b>	<b>149,745,262</b>	<b>161,122,590</b>	<b>153,150,280</b>	<b>160,089,470</b>	<b>164,747,650</b>
<b>Budgeted operating expenditures:</b>					
Personal services	103,521,699	109,360,940	107,080,670	111,272,860	115,115,440
Contractuals	32,055,788	33,244,220	31,251,540	32,703,720	33,690,730
Commodities	4,677,182	5,917,200	5,974,620	6,009,350	6,038,580
Capital outlay	586,183	439,070	279,390	373,640	460,520
Other	11,175,833	12,161,160	10,721,170	9,729,900	9,442,380
<b>Total budgeted operating expenditures</b>	<b>152,016,684</b>	<b>161,122,590</b>	<b>155,307,390</b>	<b>160,089,470</b>	<b>164,747,650</b>
<b>Subtotal budgeted operating revenues over (under) budgeted operating expenditures</b>	<b>(2,271,422)</b>	<b>0</b>	<b>(2,157,110)</b>	<b>0</b>	<b>0</b>
Unencumbered cash/fund balance as of January 1	23,245,578	23,245,577	21,125,685	18,968,575	18,968,575
Residual equity transfer	151,530	0	0	0	0
<b>Total unencumbered cash/fund balance as of December 31</b>					
Appropriated reserve	7,763,291	14,466,145	18,968,575	10,442,002	10,220,184
Unappropriated reserve	13,362,394	8,779,432	0	8,526,574	8,748,392
<i>Unencumbered cash as a percentage of expenditures</i>	<i>13.9%</i>	<i>14.4%</i>	<i>12.2%</i>	<i>11.8%</i>	<i>11.5%</i>
<b>One mill of assessed value</b>	<b>2,190,263</b>	<b>2,281,662</b>	<b>2,281,662</b>	<b>2,463,499</b>	<b>2,562,040</b>
Increase in value of mill (%)	5.37%	4.17%	4.17%	7.97%	4.00%
General Fund mill levy	21.437	21.727	21.727	21.845	21.845
Debt Service Fund mill levy	<u>10.037</u>	<u>10.118</u>	<u>10.118</u>	<u>10.000</u>	<u>10.000</u>
<b>Total mill levy</b>	<b>31.474</b>	<b>31.845</b>	<b>31.845</b>	<b>31.845</b>	<b>31.845</b>
General Fund (excluding delinquency)	44,604,900	46,599,110	46,599,110	50,586,220	52,609,700
Debt Service Fund (excluding delinquency)	<u>20,883,420</u>	<u>21,700,250</u>	<u>21,700,250</u>	<u>23,156,890</u>	<u>24,083,180</u>
<b>Total property tax (excluding delinquency)</b>	<b>65,488,320</b>	<b>68,299,360</b>	<b>68,299,360</b>	<b>73,743,110</b>	<b>76,692,880</b>

# CITY OF WICHITA

2006 PROJECTED	2007 PROJECTED	2008 PROJECTED
55,654,670	57,865,490	60,164,420
21,350	21,350	21,350
31,341,600	32,211,550	33,107,750
8,048,290	8,289,740	8,538,430
21,996,420	22,601,320	23,222,860
15,323,730	15,706,830	16,099,500
1,751,250	1,803,790	1,857,900
2,462,220	2,511,500	2,561,720
9,233,070	9,417,750	9,606,090
382,230	389,880	397,680
2,442,060	2,490,910	2,540,720
2,990,360	3,065,110	3,141,740
7,981,060	8,220,250	8,466,670
3,255,980	3,321,090	3,387,520
4,822,380	4,823,910	4,825,470
1,090,600	1,112,410	1,134,650
<b>168,797,270</b>	<b>173,852,880</b>	<b>179,074,470</b>
120,505,990	126,190,780	132,189,380
34,565,420	35,466,220	36,393,430
6,159,340	6,282,560	6,408,230
472,540	484,890	497,570
9,631,230	9,823,850	10,020,320
<b>171,334,520</b>	<b>178,248,300</b>	<b>185,508,930</b>
<b>(2,537,250)</b>	<b>(4,395,420)</b>	<b>(6,434,460)</b>
18,968,575	16,431,325	12,035,905
0	0	0
7,490,095	2,974,753	0
8,941,231	9,061,153	5,601,445
9.6%	6.8%	3.0%
<b>2,664,520</b>	<b>2,771,100</b>	<b>2,881,940</b>
4.00%	4.00%	4.00%
21.845	21.845	21.845
<u>10.000</u>	<u>10.000</u>	<u>10.000</u>
<b>31.845</b>	<b>31.845</b>	<b>31.845</b>
54,714,050	56,902,600	59,178,620
<u>25,046,490</u>	<u>26,048,340</u>	<u>27,090,240</u>
<b>79,760,540</b>	<b>82,950,940</b>	<b>86,268,860</b>







## CELEBRATING 100 YEARS OF FLIGHT

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### "SkyWriter"

**Artist:** Greteman Group  
**Where:** Hotel at Old Town  
830 E. 1<sup>st</sup> Street  
(1<sup>st</sup> Street & Mosley)  
**Sponsor:** Consolidated Holdings  
**Benefits:** Exploration Place

### "Stealth"

**Artist:** Todd Whipple  
**Where:** V.A. Hospital  
5500 E. Kellogg  
(Kellogg & Edgemoor)  
**Sponsor:** Sherwood Construction and  
Wildcat Construction  
**Benefits:** KSU College of Engineering



## Highlights

- ✓ Wichita was one of the first cities in the nation to adopt the Council-Manager form of professional management (1918).
- ✓ The Mayor is the only City official elected at-large.
- ✓ Council members are elected from each of six council districts.
- ✓ The Mayor and Council provide policy direction by enacting ordinances, adopting an annual budget and identifying and prioritizing municipal services.
- ✓ City Council meetings are broadcast locally on Channel 7 each week.

## Overview

The City Council provides policy direction for developing and sustaining the health, safety and well being of the community. The Council exercises its authority through the enactment of laws, the adoption of the annual budget, the approval of contracts and specific projects and the approval to pursue grant funds to assist with the vision of the City.

## Finance and Operations

The General Fund supports the operations of the City Council and City Manager's Office, with personal services accounting for over 80% of the 2004 Adopted budget. Funding continues for the leadership positions Council members hold with the National League of Cities and other key governmental associations.

The **City Council** establishes policy direction for the City by enacting ordinances, laws, and policies, adopting the budget, levying taxes, and appointing members to the District Advisory Boards (DAB) and other citizen advisory boards and commissions. The seven-member Council is elected to four-year terms on a nonpartisan basis with staggered terms of office. Six Council members are elected by district; the Mayor is elected at-large.

Important achievements of City Council have been to lower the electric rates for Wichita citizens and bring lower airfares to travelers into and out of Wichita. Eastbound AirTran began service in May 2002; westbound Frontier began service in September 2002; and westbound Allegiant Air began daily service in March 2003. Council members also helped lobby successfully for sales tax and revenue (STAR) bond financing for a proposed WaterWalk business and residential area.

The City Council meets on Tuesdays in the Council Chambers. Workshops are usually held for an in-depth study of projects and issues on the fourth Tuesday. The Council Chamber's 2001 remodel project incorporates state-of-the-art technology for the presentation of Council business and reports; provides better accessibility for disabled citizens; improves the quality and functions of the sound system; and provides a more

ergonomic and aesthetically pleasing environment for citizens, Council members and City staff.

The City Council coordinates efforts and establishes relationships with other elected officials at all levels of government. Members of the Council represent the City in several state, national and international organizations.



*District Judge Tony Powell administers the oath of office to District IV Council Member Paul Gray*

Wichita is an active participant in the Sister Cities International program. The program's goals include enriching community life through exhibits, tours, and exchanges, providing a setting for meeting community leaders from cities around the world, creating opportunities for cultural activities and exchanges, providing host families for visitors from Wichita's Sister Cities and supporting student exchange programs for students from Wichita's Sister Cities.

Wichita's Sister Cities are Tlalneapantla and Cancun, Mexico; Orleans, France; and Kaifeng, China. Council members represent the City both when receiving visitors and when visiting Sister Cities.

The **City Manager's Office** has primary responsibility of maintaining a willingness to listen and react to citizens and the

## CITY OF WICHITA

Council. Numerous citizen contacts are handled each day in the City Manager's office, ranging from telephone and electronic mail inquiries to faxes. On average, the City Manager's office receives over 250 telephone contacts, 100 faxes, and 100 letters and e-mails per day from citizens and business people requesting information or assistance.

The City Manager's duties include: submitting the annual budget, advising the City Council on matters affecting the City, administering and overseeing City operations and appointing and removing City personnel. The City Manager continually assesses the growing needs of the community to determine if adequate services are available. Numerous public agencies, local organizations and businesses collaborate with the City Manager's office regarding current and potential service needs.

Every year, the City Manager establishes priorities, as communicated by Council, and directs the Finance Department in the development of a budget that is submitted to Council for adoption. The annual budget is a tool utilized to allocate funding for new and existing programs and services, and eliminate ineffective ones to better meet the changing needs of the community.

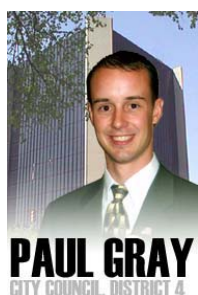
The City Manager's Office assists the Mayor and City Council with special projects and research. Recent projects in which the staff is involved are:

- Implementing a new Joint Nuisance Statement Code.
- Marketing Wichita's tourism attractions in partnership with the Greater Wichita Convention and Visitors Bureau.
- Maintaining operations of the new Neighborhood City Halls - one in each quadrant of the City, except for District II and V. The goal is to decentralize City services and be more responsive to neighborhood and citizens needs.

Additional duties include preparing agendas for weekly Council meetings, staffing various boards, commissions, and task forces, and the overseeing of all departments' programs and activities.



*The City Council Chamber was remodeled in 2001 to provide a more ergonomic and aesthetically pleasing environment for citizens and Council members.*



## City Council/City Manager Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	828,287	899,820	830,960	859,530	872,620
Contractuals	141,897	149,460	147,130	143,340	143,340
Commodities	22,348	25,050	25,050	25,050	25,050
Other	0	7,750	7,750	7,750	7,750
<b>Total Local Expenditures</b>	<b>992,532</b>	<b>1,082,080</b>	<b>1,010,890</b>	<b>1,035,670</b>	<b>1,048,760</b>
City Council	482,681	578,040	552,000	569,590	577,370
City Manager's Office	509,851	504,040	458,890	466,080	471,390
<b>General Fund</b>	<b>992,532</b>	<b>1,082,080</b>	<b>1,010,890</b>	<b>1,035,670</b>	<b>1,048,760</b>
Total Full-time positions	15	15	15	15	15
Total Part-time positions	0	0	0	0	0
Total FTE positions	15	15	15	15	15





## CELEBRATING 100 YEARS OF FLIGHT

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### "Barnstormin'"

**Artist:** Janet & Greg Sullivan  
Sandy & Mark Monroe  
**Where:** Sedgwick County Courthouse  
525 N. Main (Central & Mian)  
**Sponsor:** Sedgwick County  
**Benefits:** Old Town Museum

### "Toolin' Around"

**Artist:** Geoffrey Kisch  
**Where:** 741 W. 2<sup>nd</sup> Street  
(2<sup>nd</sup> Street & McLean Blvd.)  
**Sponsor:** Key Construction, Inc.  
**Benefits:** Boy Scouts of America -  
Quivira Council



### "Nexus"

**Artist:** Northeast Magnet Art Dept.  
**Where:** Botanica  
701 Amidon  
**Sponsor:** Cox Communications  
**Benefits:** Northeast Magnet High  
School Art Department



## Highlights

- ✓ Beginning in 2003, Print Shop operations have been consolidated in the IT Division. This operation will be examined for privatization and/or downsizing opportunities.
- ✓ The IT charge back structure was revised in 2003, reducing costs to individual users and the City organization. The revised resulted in IT absorbing approximately \$250,000 in rate revenue reductions, while simultaneously adding public safety technology enhancements.
- ✓ On professional position is deleted from IT due to increased efficiencies from advancing technology.
- ✓ The Community Relations Liaison has been removed from the budget in 2004, resulting in one position elimination.
- ✓ A Clerk position in the Controller's Office is deleted, based on productivity gains from system automation efforts.

The mission of the Finance Department is to coordinate the financial affairs of the City and provide various internal services and supplies for all City departments.

### Overview

The Department of Finance provides a variety of support functions to City departments and officials. The Director's Office coordinates all accounting, external auditing, bookkeeping, billing, revenue collection and purchasing activities for the City. In addition, the Director is tasked with supervising the preparation of the annual City budget, investment policies, debt management program, retirement systems, special assessments, risk management and data processing systems.

The Budget Office advises the City Manager and Director of Finance on the budget and related financial matters. Budget staff provides research and administers the operating and capital budgets. The Controller's Office directs the general accounting, auditing and payroll activities of the City. The Purchasing Office acts as the centralized purchasing agent for the City. The City's debt issuance is coordinated through the Debt Management section and Treasury is responsible for all revenue management and investment activities.

The Finance Department also manages Information Technology, providing data processing, telecommunication, copying and printing services to City departments. Micrographics and stationery services are provided through the Stationery Stores Fund. Life, health and worker compensation coverage, risk management functions and the Safety Office are funded from the Self-Insurance Fund. Pension Management oversees the pension funds. Economic development projects are coordinated through the Economic Development Fund.

### Finance and Operations

The Finance Department includes a variety of organizational support functions, many of which are financed from various sources. Information Technology/Information Services, Stationary Stores and Self Insurance are internal service funds with receipts derived from departmental users. Economic

Development activities are funded through a special revenue fund. Pension assets for City employees are held in trust funds and managed by the Department of Finance.

The **Director's Office** is responsible for the overall management of the department, as well as the development, preparation and administration of the City's annual budget. The Budget Office also coordinates preparation of the ten-year Capital Improvement Plan, in addition to the five-year financial plan, which is prepared for long-term forecasts.

### Forecasting Accuracy

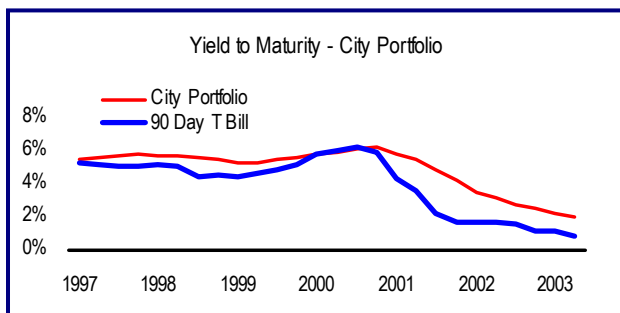
REVENUE		
YEAR	ADOPTED	REVISED
1996	1.03%	0.66%
1997	3.16%	0.83%
1998	5.02%	0.73%
1999	0.42%	-3.18%
2000	-1.75%	1.35%
2001	1.56%	-0.76%
2002*	-4.30%	-3.18%
Average	0.73%	-0.51%
*Skewed by \$1.1 million loss of state aid in December. Otherwise would have been:		
	-3.59%	-2.47%
EXPENDITURES		
YEAR	ADOPTED	REVISED
1996	-2.14%	0.34%
1997	1.58%	0.19%
1998	5.07%	0.79%
1999	0.95%	-2.67%
2000	-1.72%	1.38%
2001	-0.59%	-2.85%
2002	-2.84%	-1.71%
Average	0.04%	-0.65%

Staff advise the City Manager and the Director of Finance regarding financial and management issues, and provide research for City management staff. Assistance is provided to City departments regarding appropriate and necessary budget procedures. Budget Office staff receive assistance on revenue and expenditure planning and statistical research from the Center for Economic Development and Business Research (CEDBR) at Wichita State University. The CEDBR also assists with preparation of the City's Economic Profile.

**The Controller's Office** provides general accounting services for City departments. Support includes processing vouchers and issuing checks. Controller's Office staff also administer approximately \$6 million of grants annually. The coordination of the annual external audit is performed by the Controller's Office, as well as the cost-allocation plan, which allocates overhead and administrative costs among City departments. A significant responsibility is the preparation of quarterly reports outlining the City's financial condition and the Comprehensive Annual Financial Report. Controller staff continually work to ensure that internal controls are in place to guard against waste, inefficiency and financial infidelity.

**The Purchasing Office** performs the centralized purchasing of City goods and services. Staff seek to procure the highest quality products and services for City departments at the lowest possible cost. In 2001, Purchasing implemented an electronic procurement system known as e-procurement (via the Internet) at <http://www.wichita.gov> which allows vendors to register on-line and to electronically receive and submit bids, receive purchase orders, provide invoices and obtain payments. The e-procurement system has improved staff efficiency, and reduced bid costs to the City by improving information flow. With the refinement of processes, all e-procurement activities are consolidated in Purchasing in 2003, resulting in the addition of one position in Purchasing, and the elimination of two Public Works Engineering positions.

**The Debt Management** section has two primary areas of responsibility: coordinating the sale of general obligation bonds and administering special assessments. Staff spread special assessments to benefit districts, certify assessment rolls to the County, and reapportion special assessments to parcels that have been split, re-platted or newly platted. Special assessment tax records are also retained in this section.



**Treasury** is responsible for the investment of the City's pooled investment portfolio, which typically is approximately \$200 million. Using the 90-day U.S. Treasury bill as a benchmark, the investment activity of the City has been very successful. Projecting cash balances and maintaining adequate cash flow for the City are functions performed by this office. City Hall Express, an office of the Treasury Division, coordinates the collection of City revenues, ranging from water bills to license fees. City Hall Express operates from 7:45 a.m. to 5:15 p.m. daily to facilitate customer payments. In addition, selected payments to the City may be made at cooperating local grocery stores for customer convenience.

**The Economic Development** office coordinates the economic development activities of the City. Staff work to attract new businesses and retain existing businesses by developing and arranging innovative special financing. Financing tools include the issuance of Industrial Revenue Bonds (IRB), the use of tax exemptions, and the use of tax increment financing. Revenues are derived primarily from administrative charges on IRB issuances. In addition, the General Fund augments Economic Development Fund resources. Economic development activities are pursued by partnering with private business and take many forms. One form of partnering is Industrial Revenue Bonds financing, which facilitates job creation and retention while providing qualified businesses with a tax exemption on equipment and facilities financed with the bond proceeds. IRB financing also allows businesses to finance expansion at a lower interest rate than is otherwise available. Currently, over \$3.8 billion is outstanding in IRBs.

Another form of financing utilized to generate economic growth is Tax Increment Financing (TIF). The Economic Development Office oversees the creation of TIF districts to stimulate economic growth by allowing an increase in assessed valuation (and the resulting increase in property taxes) to be directed exclusively towards redevelopment purposes. Tax increment financing districts have been utilized to revitalize the 21<sup>st</sup> and Grove area, to finance improvements to Old Town, Hillside and Central developments, and to encourage the development of the East Bank area. The City's newest TIF will be at Kellogg and Oliver. Each TIF has stimulated long-term economic viability.

In 1999, a \$10 million public/private partnership was initiated to provide loan funds to start or enhance existing small and/or minority businesses, which would not otherwise receive commercial loans.

**Pension.** The Finance Department includes staff that administer the activities of the City's two distinct pension funds. The Wichita Police and Fire (WPF) fund provides for the retirement of police officers and firefighters, which includes three separate plans: Plan A, Plan B, and Plan C-79. Plans A and B are closed. Under C-79, an employee can retire with 30 years of service regardless of age, or with 20 years of service and 50 years of age.

For civilian government workers, the Wichita Employees Retirement (WER) Fund has been established which includes Plan 1, Plan 2 and Plan 3. Plan 1 is closed. Under Plan 2, an employee can retire at age 62, receiving 2.25 percent of their final average salary per year of service. Plan 3 is a defined contribution plan.

Pension Funds - Overview		
	WER	P&F
Fund Assets (millions)	\$360	\$301
Number of pensioners	1,052	833
Annual pension payments (millions)	\$19.5	\$18.5
Plan participants	3,068	1,881

Sixteen-member boards administer both pension funds. The WER Board includes the City Manager or designee, the City Manager's appointee, seven members appointed by the City Council, and seven members elected by the plan participants.

The Police & Fire Board includes the City Manager or designee, the Fire Chief, the Police Chief, seven members appointed by the City Council, three members appointed by Fire plan participants, and three members appointed by Police plan participants. The investment activities of the Board are consolidated, with oversight from an eleven member Investment Committee composed of WER and WPF Board members. Pension Management provides staff support for the Boards.

Pension funds are invested based on the asset allocation plan adopted by the boards. In the past, the allocation has been 66 percent equities and 34 percent fixed income instruments. An annual return of 7.75 percent is assumed for actuarial purposes.

Pension Fund Performance Statistics				
	1999	2000	2001	2002
Fund return	17.9%	-2.0%	-4.4%	-11.7%
WER Funding Ratio	120.1	125.9	121.2	117.0
WP&F Funding Ratio	113.2	114.6	111.4	106.2

**Self Insurance.** The Department's Risk Manager and support staff are responsible for sound risk control and safety procedures and the financing of these risks consistent with the City's financial resources. Specifically, staff administer the City's Life Insurance, Worker's Compensation, Health Insurance and General Liability Risk Management. In addition, Safety Office staff are included in the Self Insurance Fund.

Life Insurance coverage is available for all full-time City employees. Premiums are financed one-third each by the employee, the City and fund interest earnings. High quality

health insurance at affordable rates is also available to employees and retirees. The City currently finances 80 percent of premium costs for active employees, with the remaining 20 percent funded by the employee.

Annually Risk Management personnel investigate and process over 500 worker's compensation claims. The staff also review property and liability loss exposure issues. When appropriate, the defense and settlement of tort claims is funded by the Self Insurance Fund.

Safety Office staff strive to encourage City employees to develop safe work habits. Numerous training sessions are held, covering topics such as defensive driving, blood borne pathogens, electrical safety and ergonomics. More than 650 City employees attend training monthly.

Self Insurance Fund Expenditures		
	2003	2004
Life Insurance	\$902,080	\$902,080
Health Insurance	21,103,170	25,252,690
Workers Compensation	3,872,810	4,038,070
Risk Management	1,674,050	1,674,480
Safety Office	222,560	222,390
Tort	692,070	692,070
Total Self Insurance Fund	\$28,466,740	\$32,781,780

**Stationery Stores.** To insure the most cost efficient delivery of services, the City has centralized micrographics and office supply procurement. The services are financed through internal service fund charges. Staff in the Department of Finance-Purchasing Office coordinate the services.

Stationary Stores Fund Expenditures		
	2003	2004
Stationary Stores	\$969,540	\$927,170
Micrographics	100,000	100,000
Total Stationary Stores Fund	\$1,069,540	\$1,069,540

Stationery Stores facilitates the procurement and delivery of office supplies thru the coordination with a private supplier. The process was privatized to eliminate inventory costs for the City and provide faster, more efficient delivery of products at the lowest possible cost. Departments order from an assigned catalog, which contains a diverse range of products from paper clips to printer cartridges, most often with next day delivery. Micrographic services are provided by a private vendor, coordinated through Stationery Stores. Outgoing mail from City departments is processed in the mailroom to ensure the lowest possible cost for first and fourth-class mail. A centralized Paragon mail machine is used for bar coding and stamping.

**Information Technology Fund** combines the former Data Center, Telecommunications and Print Shop functions into one operational and accounting structure. Functions include providing staff assistance to the IT/IS Advisory Board, assisting City staff with technology concerns and development, serving as liaison to Sedgwick County Data Processing, managing system applications, and providing a City-owned telephone system to the organization at the lowest possible cost.

IT Application Users	
	Number of Users
Public Safety System	1,208
Office Automation	1,234
Park/Library	180
GIS	173
Central Inspection	249
Finance/Payroll/Utility Billing	324
Internet Access	378

Information Technology (IT) services support 2,103 users of 11 major systems at 34 City facilities. System access is available 24 hours a day through 1,382 personal computers (PCs). Telecommunications services are provided through 1,998 telephone lines and 1,234 telephone instruments to City staff at City owned and operated locations.

Systems supported by IT include: Internet applications, public safety, Geographic Information Systems (GIS), document imaging, office automation (including electronic mail and Microsoft Office productivity software), water billing, permitting (Central Inspection), park and recreation registration, Firehouse, human resources, finance and telecommunications, including long-distance service and pagers.

The Print Shop uses the latest technology in printers to provide economical printing and copying services. Currently, older equipment is being re-evaluated for functional effectiveness, with the expectation that additional functions will be privatized.

Information Technology (IT) is an internal service operation, charging City of Wichita departments for support and maintenance of the information systems. IT is staffed by 48 employees, of which 45 are professional staff. Data charges and staffing levels increase only with additional service provision, as new systems are added, or as systems are expanded.

In 2000, the City hired a Chief Information Officer (CIO), solidifying the commitment to improving the organization through the use of technology. One of the CIO's primary assignments was the centralization of IT resources. From 2000 to 2003, the IT staff expanded from 28 to 48 positions. Although 20 positions were added, 17 of those were either

transferred from or are funded by other City departments. The only new positions were one administrative support staff (bringing total administrative staff to two), and two Web positions to support E-Government development.

City IT accomplishments stretch far beyond consolidation. In addition to the specific system enhancements described below, the City developed a new governance model for Information Technology resources. The IT/IS Advisory Board is chaired by the Assistant City Manager, and includes department directors from Finance, Police, Water & Sewer, Park and Library. The Board is charged with establishing and maintaining strategies that maximize the use of technology at a reasonable cost to the organization.

Additionally, three smaller Boards report to the Advisory Board. These boards are staffed by expert users and represent virtually all City departments. The Web Board provides strategy on content and design of the City's website and E-Government applications. The GIS Board oversees development of the City's GIS capabilities and the implementation of the GIS Master Plan. The Technical Review Committee reviews small requests for new technology and recommends approval or disapproval to the Advisory Board. A new Public Safety system has been implemented. The new system allows information sharing between Police, Prosecution and Court. The new system also streamlines data entry by integrating bar code and driver's license scanning, imaging and Internet technology. Customer service will improve as payment, court date, and other notification processes are part of the new application.

The Local Area Network (LAN), the "backbone" of the City's network, was replaced in 2001. The LAN connects desktop personal computers and printers to the servers, which operate the City's computer systems. The LAN was first installed in 1989 to serve 94 terminals and 17 printers. In 1996, the network was replaced to handle the increased load of 636 terminals, 256 PCs and 24 laser printers. The 1996 system was replaced in October 2001, and serves 820 PCs and 120 laser printers. The replacement equipment generated significant gains in network speeds, offsetting the additional network traffic created by the growth of GIS and Internet services.

Another IT/IS initiative is creating a Wide Area Network (WAN) to connect 27 remote City sites to the network. The chosen solution for the WAN is thin client, a technology that has several advantages, but the primary advantage is a reduction of information transmitted across the network. A thin client sends only keystrokes and screen images across the network, "thinning" the data transmission and speeding up the process considerably. Sites utilizing \$300-400 per month T1 lines can operate more quickly on \$80 per month dedicated data transmission lines. Also, the thin clients are expected to provide reliable service for five years, as compared to three years for a personal computer.



## CITY OF WICHITA

Recently IT/IS and the City of Wichita extended Web/Internet capabilities to the Greater Wichita Convention and Visitors Bureau (GWCVB). As an integral part of the tourism package, the portal site (<http://www.visitwichita.com>) provides "one stop shopping" for people seeking information about Wichita, including hotels, restaurants, travel information, and attractions. Site maintenance is handled by IT/IS through a contract with the GWCVB, who retain responsibility for content management.

The City's web site, <http://www.wichita.gov>, went live in October 1999. The web site improves City services by providing access to information and forms 24 hours a day, 7 days a week. Information is available through community bulletins and newsletters, calendars, surveys and E-mail access to City departments and employees.

- A Real Estate Developer's Directory is available on-line to allow developers, real estate professionals, and other citizens to quickly and easily contact City or County departments/personnel needed to proceed with development projects.
- An animal shelter adoption on-line application allows citizens to view animals at the City Animal Shelter and "reserve" animals for adoption.
- Air quality information is posted and updated daily, allowing citizens to determine whether it is healthy for them to be outside before leaving their homes or offices.
- Capital Improvement Program project information is provided through a series of menus so citizens may select projects by Council District, project type, project cost or scheduled construction year.
- Court docket information, applications for employment, records requests and diversion requests are all available on-line for citizens.
- Forms for building permits, licensure, vendor registration, and applications for Industrial Revenue Bond financing are available on-line, allowing businesses to operate more efficiently.
- Additional E-Government services under development include utility billing and secure electronic payments, including Park recreation facility and class payments, and payments for building permits.

The planned Content Management Systems (CMS) will allow departments to create their own Web content with the IT Web staff acting as editors. Before CMS, the Web staff edited and updated the information to stay current. With the CMS, the Web staff can devote the majority of effort to developing additional E-Government applications and improving the City Intranet. The CMS will facilitate a City Website with more dynamic and more current information.

E-procurement went live in July 2000, establishing an electronic relationship between the City and its thousands of vendors. The system automates procurement transactions, including on-line vendor registration, bid solicitation and submission, purchase orders and invoice submission.



The City of Wichita web page, at [www.wichita.gov](http://www.wichita.gov), is shown above. The page includes links to e-procurement, the City code, employment information and other services.

The Intranet uses Internet-based technology within the organization to facilitate communication and access to information. The City Intranet debuted in 2001, and is available to the 1,234 employees who have access to the office automation system. A primary benefit of the Intranet is the paperless publication of documents such as the employee newsletter, job listing, Council newsletter, and other internal documents that formerly were distributed as paper copies. Savings accrue not only from avoided printing costs, but also from the time taken to sort and distribute information.

Additional Intranet applications include a Police knowledge management system (posting detective notes to the Intranet), an internal phone book, an application that provides employees with a transcript of attended City training programs and an In-Out Employee Status Board providing location and return time. As technology continues to develop, the City may be able to process internal forms on the Intranet, eliminating thousands of paper copies and many hours spent distributing.

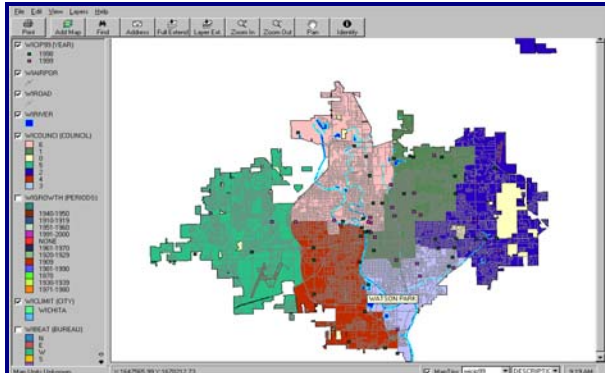
IT staff are currently planning the migration of the City's operating systems to Windows XP. Unlike the simpler upgrade to the desktop productivity software, the operating system upgrade requires new servers and server software. Also as part of the operating system upgrade, personal computers with processor speeds of 400 MHz or less will be replaced.

Geographic Information Systems (GIS) supports many projects and involves most departments. For example, GIS played a critical role in locating fire stations for the fire station construction/relocation plan, approved in 2000. As additional base layers of data are completed, GIS continues to grow in importance to other City departments providing opportunities for greater analysis of operations, allowing departments to use scientific analysis to improve service to citizens and mapping the City's infrastructure assets.



## CITY OF WICHITA

The MapWise application, implemented in 2000, offers significantly enhanced access to GIS information. The MapWise application is less expensive to license and more user-friendly than traditional GIS applications. The low cost and ease of use has allowed many more users access to GIS data with no net increase in cost to the City.



*The MapWise application allows novice users to access valuable data on land use, infrastructure and incident reporting.*

MapWise is further enhanced by the addition of zoning information. Personnel in Planning, Water and Sewer, Central Inspection and Engineering have access to the most current zoning information from their desktop. In 2002, a sixth position was added to GIS, offset by a position reduction in Planning. The new position focuses primarily on improving Planning data, allowing Planning to increase their productivity. Much of the planning data on land use and zoning will also be useful to other City departments.

In 2003, the Print Shop moved from Purchasing to IT. The Print Shop provides printing and copying services to City departments. In 1999, the City invested in new document processing technology, including two high volume copier/network printers and one color copier. Three positions are transferred to IT as part of the transition. Currently, the Print Shop and its equipment are being re-evaluated for functional effectiveness, with the expectation that many functions will be privatized.

The Help Desk structure was strengthened by the addition of a Help Desk Supervisor in 2000, and was further enhanced by an additional help desk technician in 2002. The Help Desk Supervisor coordinates traditional Help Desk activities such as user support, system monitoring and maintenance, installing and repairing hardware, as well as working with City departments to improve services. The additional technician helps maintain timely service and keep computer (and employee) downtime to a minimum.

An Assistant Chief Information Officer position is included to assist in business plan development, project management and customer relations. The position also provides a succession plan for the City.

Finally, the 2004 IT budget includes the deletion of one position, a Systems Analyst. New content management software will enable Systems Analysts to update and control the flow of information electronically, allowing the City to delete one professional Systems Analyst position.

### Finance Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	40,259,738	43,967,430	43,934,460	46,099,460	48,635,020
Contractual Services	31,916,320	39,660,010	45,027,200	46,090,230	50,077,280
Commodities	646,609	570,710	487,550	571,500	447,610
Capital Outlay	501,191	310,750	290,490	288,600	405,100
Other	4,201,893	9,987,560	8,594,750	8,523,530	7,267,070
<b>Total Local Expenditures</b>	<b>77,525,751</b>	<b>94,496,460</b>	<b>98,334,450</b>	<b>101,573,320</b>	<b>106,832,080</b>
General Fund	3,510,075	3,856,920	3,573,730	3,572,240	3,632,080
Economic Development	3,764,502	2,095,970	4,167,020	768,810	698,420
Information Technology	4,952,057	7,829,970	7,817,010	8,134,130	7,239,380
Stationary Stores	1,591,186	1,072,240	1,069,540	1,027,170	1,028,460
Self Insurance	23,163,029	29,359,630	28,466,740	32,781,780	36,849,550
Pension	40,544,902	50,281,730	53,240,410	55,289,190	57,384,190
<b>Total Local Expenditures</b>	<b>77,525,751</b>	<b>94,496,460</b>	<b>98,334,450</b>	<b>101,573,320</b>	<b>106,832,080</b>
Total full-time positions	119	122	121	119	119
Total part-time positions	2	2	2	2	2
Total FTE positions	120.25	123.25	122.25	120.25	120.25

## Highlights

- ✓ A fee increase for all five diversion programs will be implemented in 2003.
- ✓ The new integrated public safety software and imaging technology will enhance the efficiency of the Law department staff.
- ✓ The Adopted budget includes the elimination of one professional staff and two support staff.

Law Department exists to provide high quality legal services and guidance to the City Council, City Manager, departments, boards, agencies, utilities and commissions of the City.

### Overview

The Law Department has three main functions: provide legal counsel for City Council and City staff, provide legal representation for the City and prosecute cases in Municipal Court. A staff of 16 attorneys and seven support staff accomplish the activities. Staff is divided into prosecutorial and civil legal sections. The Department is financed solely from the General Fund with the exception of 100 percent of a Senior Attorney's salary, whose primary responsibility is to assist with bond issues related to economic development and pension matters. Also the Community Service Worker who is provided by the Wichita Bar Association for the summer intern position. The department is financed solely from the General fund with the exception of a Senior Attorney's salary, whose primary responsibility is to assist with bond issues related to economic development and pension matters.

### Finance and Operations

Civil legal staff performs a variety of roles: providing legal advice, drafting and reviewing contracts, rendering legal opinions and conducting litigation for the City.

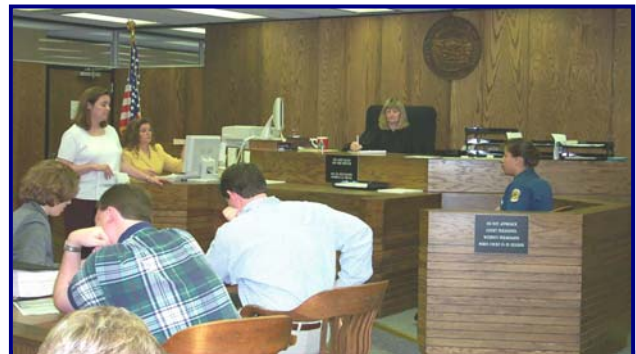
A significant role of the Law Department is to represent the City in civil legal actions, including labor, utility franchise, and environmental disputes and negotiations. Law staff also provides legal advice to the City Council, City departments and boards. A staff of eight attorneys focuses on handling the diverse requests including:

- Drafting and reviewing proposed contracts
- Resolutions and ordinances
- Defending the City in tort claims
- Rendering legal opinions
- Assisting with the City's legislative program

All claims filed against the City are processed by the Law Department. The review ascertains the relative merits of the claims, and staff attempts to settle claims when appropriate. Claim costs are funded from the Self Insurance Fund, a component of the Finance Department.

Another core function is prosecuting offenders in Municipal Court while maintaining "walk-in" hours to assist citizens. A staff of six attorneys and a prosecution supervisor provide the service and are supported by two clerical positions.

Based on the current docket structure, prosecutors represent the City on 33 Municipal Court dockets and maintain office hours to assist citizens on a walk-in basis. In addition, prosecutors engage in case review prior to the beginning of the dockets. Staff also represents the City in Municipal Court appeals.



#### Selected Service Level Measures

	2000	2001	2002	2003	2004
Cases set for trial	34,640	35,083	35,217	35,873	35,873
Hours per appeal	3.28	3.32	2.84	3.15	3.00
Number of appeals	324	323	395	300	300

#### Selected Service Level Measures

	2000	2001	2002	2003	2004
Legal opinions rendered	419	459	553	477	477
Revenue bond issues closed	11	18	10	13	13
Ordinances reviewed	491	389	315	398	398
Contracts reviewed	1,026	929	1,546	1,167	1167
Hours/ordinance reviewed	1.29	1.34	0.86	1.16	1.16
Hours/contract reviewed	0.78	0.79	0.38	0.65	0.65

## Selected Service Level Measures - Diversion

	2000	2001	2002	2003	2004
DUI diversions accepted	727	625	533	628	628
Petit theft diversions accepted	328	468	325	374	374
Speeding diversions accepted	323	308	978	536	536
Drug diversions accepted	379	445	300	375	375
DV diversions accepted	471	375	397	414	414

A diversion coordinator, housed in the prosecution section, administers the City's diversion and deferred judgment programs. The programs are available for eligible first time offenders and offenses that include speeding, petit larceny, certain drug offenses, DUI and domestic violence. In every diversion case, program fees and fines are assessed to finance all program costs. In 2003 Law department proposes fees increase for all five diversion programs and add an application fee to two out of five programs.

The Law Department also has oversight of the Victim Rights Center. The Center provides notice, as required by Kansas Law, to crime victims of certain court proceedings, which include, but are not limited to, plea hearings, continuances, trials, sentencing, sentence modifications, probation violation hearings and appeals. The replacement of the antiquated

Public Safety System has been implemented in 2003. It is utilized in conjunction with Police and Municipal Court. The new computer system will eventually encompass utilization of bar code and drivers' license scanning, imaging and Internet technology. The Integrated Public Safety System (IPSS) will offer a centralized information system for Police, Prosecution, and Court. An imaging component of the public safety system will allow multiple users to simultaneously access single case files; significantly reduce storage and filing problems; and facilitate case review and preparation functions. Imaging will provide desktop viewing of case documents once the documents have been entered into the system, eliminating the task of filing and re-filing case files.

The new drug court software program has also been implemented. The software will consolidate defendants' information, providing the drug court team one centralized access point for defendant data.

The Federal District Court made a decision to implement electronic filing for all federal cases effective in May 2003. Law department took immediately action and implemented the paperless system that provides electronic filing access to attorneys. The 2003 Revised budget also includes the elimination of two support staff and one professional staff due to budget constraints.

## Law Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	1,557,122	1,621,680	1,563,520	1,564,750	1,584,990
Contractual Services	238,990	253,450	225,730	220,290	220,290
Commodities	5,537	7,010	7,030	6,870	6,870
Capital Outlay	0	0	0	0	0
Other	0	0	0	0	0
<b>Total Local Expenditures</b>	<b>1,801,649</b>	<b>1,882,140</b>	<b>1,796,280</b>	<b>1,791,910</b>	<b>1,812,150</b>
<b>General Fund</b>	<b>1,801,649</b>	<b>1,882,140</b>	<b>1,796,280</b>	<b>1,791,910</b>	<b>1,812,150</b>
Total full-time positions	25	25	23	23	23
Total part-time positions	2	1	1	1	1
Total FTE positions	25.50	25.25	23.25	23.25	23.25

## Highlights

- ✓ Bailiff and security service is privatized, and the budgeted amounts are based on recent contacts.
- ✓ Funding is included for a new Integrated Voice Response (IVR) system, which will improve access to Municipal Court information by customers using the telephone.
- ✓ The Wichita Intervention Program continues to offer alternative incarceration for first time drunk driving offenders. The budget includes increased contractual costs for this program, offset by higher program fees.
- ✓ The vacant Administrative Assistant to the Director position has been eliminated.

Municipal Court exists to impartially uphold the community's laws and facilitate the interests of justice for all citizens in a thorough and fair manner.

## Overview

Municipal Court is organized into the Court Clerk's Office and Probation. The Clerk's Office is responsible for processing transactions related to court and traffic records. The Probation Office assists judges in defendant evaluation and monitoring of prisoners and probationers.

Municipal Court operates three traditional courtrooms. In addition, a video court is used to arraign prisoners from the County jail via a video connection. Hearings for traffic violations are held in an Administrative Traffic Court. Environmental cases are heard in a Neighborhood Court rotated among the Police substations. Specialized dockets have been established for driving under the influence (DUI), criminal, domestic violence and traffic offenses.

## Finance and Operations

Municipal Court is responsible for collecting court-imposed fines, fees and penalties. These include court fines, traffic fines and fees, diversion fees, court costs, warrant fees and other revenues. The revenues offset a portion of the costs for adjudication, prosecution and enforcement efforts of Municipal Court, the Law Department and the Police Department. A private agency is utilized for aggressive collection of fines and fees.

Selected Service Level Measures –Court					
	2000	2001	2002	2003	2004
Cases Filed	33,733	31,617	34,626	35,670	36,000
Criminal cases	7,950	7,620	7,691	7,700	7,800
Traffic cases	15,689	14,158	15,911	16,000	16,500
Domestic Violence cases	4,071	4,398	4,320	4,400	4,400
Environmental Court cases	1,250	1,656	1,460	1,700	1,700
DUI cases	2,290	2,191	1,864	2,000	2,000
Administrative cases	2,483	1,594	3,380	3,400	3,400
Cases Disposed	35,515	35,083	35,217	35,990	36,000

Municipal Court functions are included in the Court Clerk Division. This includes docket clerks and judges who staff court rooms; customer service clerks who assist citizens either on the telephone or in-person; file clerks who assist in general docket preparation and file processing and other positions that support the general administration of the Court.

The City has invested heavily in technology upgrades to improve the efficiency of court staff. These improvements have focused on reducing paper flow, including file retrieval requirements. Automation changes include the replacement of the public safety system and the implementation of an interactive voice response system. The integrated public safety system offers a centralized database to be shared and utilized by Police, Prosecution and Court. The system includes capabilities to utilize bar code and drivers' license scanning, imaging and the Internet. By imaging court materials, retrieval can occur simultaneously for multiple users in Police, Law and Court, reducing file maintenance efforts and increasing efficiency. Court converted to this new system in 2003.

A new interactive voice response (IVR) system will be implemented for court customers. This system will improve the dissemination of court information and enhance the efficiency of the court clerical staff. An automated system will quickly direct callers to the appropriate information on their respective court case, or will provide generic information on the court process. Staff will continue to handle calls in which human assistance is necessary.

Public defenders are provided to serve indigent defendants through a contractual relationship. The costs for indigent defense are partially offset by a \$4 per case assessment and co-payments from the defendants. An estimated 10,000 cases area handled by public defenders annually.

A drug court was established in August 1995 and remains the only operating drug court in Kansas. The court operates under the philosophy that a court team can provide better opportunity for long-term changes in drug users. The goal is to break the recurring cycle of repeat offenders. The court works very closely with treatment providers in an attempt to tailor services to each defendant. New drug court software, implemented in 2002, consolidates defendants' information, providing the drug court team one centralized access point.

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The Probation Office includes eight probation officers and eight support staff. Staff monitors defendants sentenced to probation to ensure compliance of all requirements, performs pre-sentence investigations ordered by the judges, collects restitution and fingerprints defendants.

Four Service Officers and also included in the Probation Office. These positions are funded currently by the Local Law Enforcement Block Grant. Prisoner transportation duties and video arraignment functions are the primary responsibilities of these staff.

The Probation Office is also responsible for managing the Wichita Intervention Program. This program provides alcohol education and intervention for eligible first-time defendants who

plead guilty to drunk driving. The program couples the state mandated 48 hours of incarceration with a strong programmatic intervention process in an effort to eliminate future offenses. The program is mostly privatized, with program fees that are charged to the defendant (\$250) offsetting all costs.

Selected Service Level Measures – Probation Office					
	2000	2001	2002	2003	2004
Drug Court Evaluations	N/A	622	458	600	600
Drug Court contacts	4,874	3,890	3,354	4,000	4,000
Number of Pre-sentence Investigations	2,306	2,183	1,722	2,000	2,000
Number of supervised Probation contacts	19,070	26,164	24,044	25,000	25,000

### Municipal Court Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	3,024,517	3,246,315	3,224,468	3,304,884	3,326,920
Contractual Services	1,468,420	1,565,230	1,627,520	1,634,330	1,660,530
Commodities	72,309	89,480	90,510	86,730	89,980
Capital Outlay	0	8,750	7,400	0	0
Other	0	27,960	0	0	0
<b>Total Local Expenditures</b>	<b>4,565,246</b>	<b>4,937,735</b>	<b>4,949,898</b>	<b>5,025,944</b>	<b>5,077,430</b>
ADSAP	120,667	165,485	195,540	195,540	195,540
Local Law Enforcement Block Grant	131,154	52,000	130,668	76,761	0
General Fund	4,313,425	4,720,250	4,623,690	4,753,790	4,881,890
<b>Total Municipal Court Resources</b>	<b>4,565,246</b>	<b>4,937,735</b>	<b>4,949,898</b>	<b>5,025,944</b>	<b>5,077,430</b>
Total full-time positions	70	70	69	69	69
Total part-time positions	31	31	29	29	29
Total FTE positions	72.25	72.25	70.75	70.75	70.75



## Highlights

- ✓ Ten new Firefighter positions are included in the budget to staff aerial truck companies.
- ✓ Seven Firefighters and three Fire Captain positions have been included to supplement station staffing in east Wichita. A new East station is included in the CIP.
- ✓ Over \$1 million in overtime and holiday pay is budgeted, based on contractual requirements (for IAFF-represented positions) and FLSA requirements.
- ✓ Equipment reliability and effectiveness will be enhanced considerably in the future, with the replacement of approximately one half of the fire apparatus fleet.
- ✓ The Insurance Service Organization rating for City of Wichita residents continues to be a 3, saving local citizens millions in homeowners fire insurance premiums.

The mission of the Fire Department is to minimize the loss of life and property resulting from fires, medical emergencies and other disasters through prevention, education and fire suppression activities.

### Overview

The Department provides fire suppression and emergency response from 18 stations strategically located throughout Wichita. The Department is organized into two divisions: Operations and Administration.

The Department operates a training facility. On average, staff trains 18 recruits annually, as well as continuously refreshing and updating the training and preparedness of all fire suppression staff. Maintenance of fire apparatus is coordinated through a central maintenance facility, managed by the Public Works Department.

The Department maintains a four-member Arson Investigation unit, which investigates all suspicious fires. Arson investigators also assist in the inspection function, along with three other inspector positions. Additional positions are dedicated to public education and prevention.

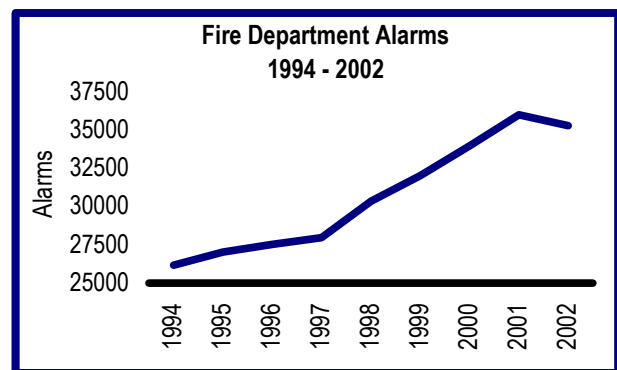
### Finance and Operations

The operating budget for the Fire Department is financed entirely from the General Fund. During this budget period, \$14.5 million in CIP funds is included to comprehensively relocate fire stations, and to construct two new stations. The moves will allow the Fire Department to adequately service newly annexed areas, while enhancing the responsiveness to existing citizens. Over 30 years, the capital investment in station relocation and construction is expected to save over \$30 million in operating costs. The relocation of five stations in 2003 has occurred, with three more relocations and two new stations planned in the next five years.



*Station 4, located at Irving and McCormick in southwest Wichita, opened in the spring of 2003. This station was one of eight to be relocated as part of the comprehensive station relocation program.*

The Fire Operations budget includes nearly \$24 million for wages for the 370 front line firefighters who provide 24-hour emergency response to City residents from a network of 18 stations. Firefighters respond to over 35,000 alarms each year, including 1,800 fires and almost 23,200 medical alarms. In recent years, alarm volume has increased significantly, primarily in the area of medical calls (2002 volume is down slightly due to a review of responses to non-emergency medical calls).



**Fire Operations.** The majority of the Fire Department resources are focused on fire suppression and medical response activities. The services are provided by fire staff located at stations throughout Wichita. Currently, there are 18 stations, with two more planned in the future. In addition, the strategic relocation of eight stations will provide optimum response time. Currently, each station is generally staffed with five firefighters and two pieces of equipment, a quick response vehicle and a fire engine. At battalion stations, additional fire engines are staffed. Aerials and tenders are available at five stations. Three Battalion Chiefs provide direct supervision to Operations staff.

**Fire Dept. - Selected Performance Measures**

	2000	2001	2002	2003	2004
Average Response time (min)	4.24	4.48	4.36	4.30	4.30
Fire contained to room of origin	95%	91%	89%	90%	90%
Average dollar loss per fire (thousands)	6.50	5.89	6.21	6.50	6.40
Number of blood pressure screenings	12,248	11,596	11,842	12,300	12,300

Performance of the fire suppression staff is measured in a variety of ways. Response time is maintained at a reasonable level through the number and location of stations, and by fully staffing fire stations. Over \$1 million is included for overtime and holiday pay, based on contractual obligations and the Fair Labor Standards Act.

Fire suppression staff are actively involved in the neighborhoods surrounding the stations. Staff often provide station tours, give safety presentations and participate in neighborhood block parties. As part of a neighborhood outreach effort, free blood pressure screenings are provided and firefighters often are invited to and participate in neighborhood events.

The Fire Department maintains a hazardous materials team and specialty rescue teams, including a heavy rescue team, a high angle rescue team and a water rescue team. In recent years, events such as the DeBruce Elevator explosion, the Baby Jesse well rescue, the tornados of the recent past years, and the West Wichita floods have highlighted a need for enhanced rescue equipment and training. The needs have been addressed by earmarking equipment replacement funds for rescue team needs. In addition, a new heavy rescue vehicle was purchased in 2002.

While response time is important, appropriate and well-maintained equipment is also necessary to improve the percentage of fires contained to room of origin, and the average dollar loss per fire. The budget continues the initiative to replace hoses and nozzles on a ten-year replacement program to ensure reliability. The budget also continues the ladder replacement program, in which all of the Department's field ladders will be modernized. Recently, the department's

breathing apparatus was upgraded with new equipment designed to enhance safety for fire suppression staff. The cost of these upgrades was partially offset by \$151,395 in federal grant funds. Currently, the department is seeking grant funding for the replacement of hand held radios.



*The Heavy Rescue 4 Truck was delivered in 2002. In the next five years, approximately one half of the front line apparatus will be replaced allowing vehicle usability to increase, maintenance costs to decrease, and officer safety to improve.*

**Maintenance.** The Fire Department operates a fleet of 53 apparatus and various support vehicles. In 2002, the responsibility for maintaining this equipment was transferred from Fire to Public Works – Central Maintenance Facility. Smaller compact sedans have continuously been maintained by Central Maintenance Facility. Fire apparatus maintenance, under the direction of Public Works, is performed in a Fire Maintenance facility centrally located near downtown.

The Fire Building Maintenance section was streamlined in 2001 with the transfer of one position from Fire to Public Works. In addition, fire hydrant maintenance was consolidated within the Water Department, resulting in the transfer of one position from the Fire Department to the Water Department. On-duty firefighters continue to support both activities.

**Arson Investigation.** Four investigator positions are budgeted at a cost of over \$260,000, including one Captain and three Lieutenants. Coverage is provided on 24 hour shifts by the Lieutenants, with the Captain supplementing operations on a 40 hour schedule. Annually Arson staff investigate approximately 300 fires and make about 30 arrests. In the past, the conviction rate for cases tried has been over 90 percent. Each arson investigators determines causation of 70 fires

**Arson Investigation Performance Measures**

	2000	2001	2002	2003	2004
Fires investigated	276	287	238	230	230
Fires determined to be of suspicious nature	94	108	102	100	95
Fires investigated per investigator	69	72	60	58	58
Arrests	22	21	35	30	30
Conviction rate	90%	90%	90%	100%	100%

annually on average and makes an average of nine arrests annually.

**Safety and Training.** Six positions (five commissioned) attached to Fire Operations perform safety officer and training functions for the Department. The positions include three Captains on 24-hour shifts and three 40-hour employees. Safety Officers are dispatched to every fire and major accident, and direct the response of fire crews to ensure firefighter safety. One position is dedicated to airpack and other equipment maintenance and certification, while another coordinates medical training and quality control. In addition, the safety and training staff are responsible for fire recruit training and for developing drill training.

**Fire Prevention.** The budget funds nine positions dedicated to public education and inspections functions. Inspection duties include high hazard occupancies, high rise buildings, health care and day care facilities, schools, hospitals and grain elevators. This section also monitors burn permits, inspects applicants for liquor licenses, and ensures citizen safety at events including fireworks displays and concerts. Fire Operations staff heavily supplement the inspection function, performing over 80 percent of the inspections.

Prevention Performance Measures					
	2000	2001	2002	2003	2004
Civilian fire deaths (per 100,000 population)	2.07	1.44	.86	.85	.85
Civilian fire injuries (per 100,000 population)	8.6	8.9	10.4	8.0	8.0
Building Inspections	n/a	3,123	3,856	3,900	3,900

Public Education staff conduct fire safety and prevention training in addition to inspections on properties requiring state certification. Staff develop programs to assist large corporations in emergency evacuation procedures, and assist in training for Operations Division staff. The public education role is supplemented by Operations staff with station tours, smoke detector installation and other activities.

In 2000, three positions were shifted from Fire to OCI to enhance the efficiency of this area. These staff coordinate with inspectors from the Office of Central Inspection to review plans related to fire suppression systems, fire alarm systems, fire apparatus access, and water supply analysis. In addition, plans review for special occupancies including hazardous waste facilities and chemical storage areas are performed in coordination with OCI. As commissioned positions performing this role have separated from service, these tasks have been integrated into the workload of OCI Inspectors. Currently, one commissioned position remains.

**Administration.** The Fire Chief and six civilian personnel handle the administrative oversight of the department. A civilian Assistant to the Chief is responsible for monitoring budgetary compliance, purchasing, soliciting grants, supervising payroll functions and providing general support to the Chief. The administration of the Firehouse software system is performed in the Operations section, with support from the staff of Information Technology. Firehouse was implemented in 2000, replacing an antiquated system used to log alarm call information. The new system has the capability to integrate call data, fleet maintenance and inspection data into one centralized system.

Fire Department Budget Summary					
	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	23,120,075	24,530,060	23,412,260	25,424,560	26,223,080
Contractual Services	1,542,970	1,525,870	1,330,130	1,500,620	1,505,120
Commodities	557,355	505,610	489,450	503,820	503,820
Capital Outlay	0	40,100	20,900	20,900	20,900
Other	0	0	0	0	0
<b>Total Fire Expenditures</b>	<b>25,220,400</b>	<b>26,601,640</b>	<b>25,252,740</b>	<b>27,449,900</b>	<b>28,252,920</b>
FEMA – Asst to Firefighters Grant	151,935	0	0	0	0
General Fund	25,068,465	26,601,640	25,252,740	27,449,900	28,252,920
<b>Total Fire resources</b>	<b>25,220,400</b>	<b>26,601,640</b>	<b>25,252,740</b>	<b>27,449,900</b>	<b>28,252,920</b>
Total full-time positions	370	397	370	390	390
Total civilian positions	8	7	7	7	7
Total FTE positions	378	404	377	397	397



## CELEBRATING 100 YEARS OF FLIGHT

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### **"The Earth Below, The Sky Above"**

**Artist:** Amboo Ploy  
**Where:** 100 N. Broadway  
(Broadway & Douglas)  
**Sponsor:** Wichita Downtown Development Corporation (WDDC)  
**Benefits:** WDDC

### **"At Your Service"**

**Artist:** Wide Bodies  
**Where:** Hilton Wichita Airport  
2098 Airport Road  
**Sponsor:** Hilton Wichita Airport  
**Benefits:** The Lord's Diner Foundation





## Highlights

- ✓ The budget funds two additional Police beats, for a total of 38 beats in Wichita.
- ✓ The budget eliminated two administrative commissioned positions and two clerical positions.
- ✓ Four Records Section clerks and eliminated in 2004, based on anticipated efficiencies of the new Public Safety computer system.

The mission of the Police Department is to improve the quality of life in the community by providing professional and ethical public safety services in partnership with citizens, so as to identify, prevent and solve the problems of crime, fear of crime, social disorder and neighborhood decay.

## Overview

The Police Department seeks to maintain a safe environment for all residents of Wichita. A safe environment is achieved through aggressive crime prevention activities, diligent community policing and neighborhood involvement, swift response to calls for service, and determined criminal investigation and apprehension activities. Services are provided to each neighborhood beat by six police officers and one specially trained community police officer.



*Each of the thirty-eight patrol beats has an assigned beat community police officer. This officer acts in the role of the beat coordinator, interacting directly with the community in an effort to tailor police services to meet each neighborhood's specific needs.*

The Department is organized into three Divisions: Field Services, Investigations and Support Services. Patrol officers in the Field Services Division work from four patrol bureaus in Wichita, each with a community police sub-station. In addition to beat officers and community policing officers, each bureau in Field Services includes a Special Community Action Team (SCAT), as well as a cadre of School Resource Officers engaged in prevention and mentoring activities at local schools.

The Investigations Division is responsible for follow-up after a crime has been reported and is organized functionally around

types of criminal activity to facilitate officer specialization and coordination. Bureaus include: Persons Crimes, which investigates murder, rape, and gang related offenses; Property Crimes, which works cases involving larceny, robbery, burglary, auto theft, forgery and fraud; and a Special Investigations Bureau which focuses on narcotics, prostitution and alcohol offenses. The Division also operates the Police Laboratory and the Property and Evidence facility, which provides evidence collection, analysis and storage services.

The Support Services Division performs many ancillary activities. The Special Services Bureau includes Community Affairs, School Liaison, Fiscal Affairs and Court Liaison sections. The Records Bureau includes SPIDER and data control sections. The Training Bureau is responsible for in-service and recruit training at both the Training Center and the Firearms Range. The Special Operations Bureau coordinates the activities of the Air Section, the Bomb Squad, Honor Guard, Police Reserves, Chaplains, and the Mounted Unit.

## Finance and Operations

The Police budget funds 642 commissioned positions, including the 141 added since 1995 as part of the Public Safety Initiative. Police Department personnel is financed primarily from the General Fund; currently only one commissioned position is grant funded. Some costs are offset by revenues, including reimbursements from the Sedgwick County Sheriff's Office for a small portion of SPIDER costs and reimbursements from the State of Kansas for training center costs.

### Police Grant Resources

	2002	2003	2004
Local Law Enforcement Block Grant	\$303	\$290	\$0
Narcotics Seizure Funds	548	285	0
COPS Technology grant	1,139	358	0
Victims of Crime Assistance	139	110	92
Internet Crimes grant	0	93	0
School Resource Officers	350	178	0
Other grants	32	156	0
<b>Total Grant Resources</b>	<b>\$2,511</b>	<b>\$1,470</b>	<b>\$92</b>

Police Department operations are financed in part with grant funds, typically for equipment and supplies. As shown in the



table, nearly \$1.5 million is expected from grants in 2003. The department has received Local Law Enforcement grant funding for five years – this grant funds overtime and equipment. Narcotic Seizure funds are used to finance specific narcotics related investigation expenditures and other equipment. The Victims of Crime Assistance (VOCA) grant funds two civilian staff that provide assistance to crime victims, particularly the elderly and violent crime victims. Eight School Resource Officers have been grant funded, but these funded expired in July 2003.



*Patrol services are provided through four Police sub-stations, located in each quadrant of the City. Over 100 officers work from each sub-station. In addition, various other community police offices are used throughout the City, including Mini-City Hall locations.*

**Field Services Division** Basic Police response is provided from the Field Services Division. Police substations - one in each quadrant of Wichita - are staffed 24-hours a day by a “badge on the floor,” providing residents around-the-clock access to police assistance. Each substation serves as an office for over 100 police officers assigned to the Bureau. In addition, satellite offices have been established, typically through partnerships with the private sector and other public agencies. With police presence in the four Neighborhood City Halls, which opened in 2001, citizens have even more access to police services.

Patrol activities are organized at the beat level. Currently, the City is divided into 38 beats with each beat having six officers and a community police officer that respond to neighborhood needs. During the last eight years, a significant expansion of police services was undertaken, initially establishing community policing in selected beats. The impressive results of the trial program led to community policing Citywide. During the increase in commissioned strength from 1995 through 1998, the City defrayed a significant portion of the costs by utilizing federal grant dollars. However, the federal grants supporting beat officers expired July 2000, increasing the level of General Fund dollars needed to support the Police Department.

Field Services personnel focus on pro-active (crime prevention activities) and re-active (responding promptly to calls for service) functions. The effectiveness can be measured in a

variety of ways. Average response time along with the crime rate measures is used to evaluate the effectiveness of field services personnel.

**Community Policing – SCAT.** Police services are tailored to meet the specific needs of a particular beat through community police officers. Although the community policing philosophy is pervasive throughout the organization, each beat community police officer serves as a direct and easily identifiable link between neighborhood residents and the Police Department. The opening of the Neighborhood City Halls has served to strengthen this link between citizens and their community police officers.

The community policing efforts of the Wichita Police Department have been recognized twice by the International Association of Chiefs of Police. The prestigious Webber Seavey Award was presented to Wichita in 1996 and 2003. Both awards were in recognition of community policing efforts. Each of the four patrol bureaus has nine officers forming a SCAT. Teams direct efforts to improving the quality of neighborhoods by emphasizing police enforcement at specific areas of suspected criminal activity. The teams are often used to provide an additional police presence, supplementing beat officers.

**Traffic.** Each patrol bureau has traffic officers dedicated to traffic concerns. The officers focus on DUI enforcement, as well as accident investigation and routine traffic ordinance enforcement. In addition, a centralized unit is included in the Support Services Division staffed with detectives who conduct follow-up investigations on all hit and run accidents and investigate fatalities.

To increase the effectiveness of traffic control, civilian traffic investigators were replaced by commissioned officers that, in addition to accident investigation, also enforce traffic ordinances and respond to other calls for service. To decrease traffic accidents and fatalities, additional radar units have been purchased and are available for marked patrol cars. The additional radar units will effectively quadruple the number of radar-equipped officers.

## Selected Performance Measures – Police Field Services

	2000	2001	2002	2003	2004
Total UCR* Part 1** crimes per 1,000 population	66	69	71	69	69
Average response time for emergency calls	4.4	4.7	5.6	5.0	5.0
Total UCR property crimes per 1,000 population	61	62	64	62	62

\* Uniform Crime Reporting

\*\* Part 1 crimes include murder, rape, robbery and assault.

Selected Service Level Measures – Traffic Enforcement					
	2000	2001	2002	2003	2004
Traffic fatalities	10	29	31	15	15
Traffic injury accidents	3,126	3,299	2,998	2,750	2,750
Injury accidents per 1,000 population	9.25	9.58	8.71	8.50	8.50
Moving citations	73,699	60,404	75,305	90,000	90,000
Citations per 1,000 population	214	175	218	262	262
DUI arrests	2,413	2,312	2,130	2,500	2,500
DUI arrests per 1,000 population	7.03	6.72	6.19	7.29	7.29

To address enforcement efforts at high-risk locations, the department has implemented the NOTE (Neighborhood Oriented Traffic Enforcement) system. The NOTE system, using computer analysis on accident and fatality information,



*The Wichita Police Department targets drunk drivers in an effort to reduce traffic fatalities. Traffic officers perform DUI enforcement from the four police bureaus.*

focuses on enforcement and deterrence activities. Traffic officers also respond to complaints by conducting traffic enforcement activities in response to citizen suggestions.

**School Resource Officers.** Field Services personnel also staff the Department's School Resource Officer program. Twelve Officers are assigned to public high schools and middle schools in Wichita area. Eight of these positions are funded with federal grants, through July 2003. In addition to providing classroom curriculum, the officers serve as role models to youth, coordinating extra curricular activities that are often geared towards at-risk youth. The School Resource Officers, coupled with the School Liaison Officers working with elementary school students, increase the focus on prevention of criminal behavior by identifying at-risk youth and working with them to encourage positive behaviors.

**The Investigations Division** handles follow up investigation of criminal offenses. Investigations are conducted by more than 100 commissioned personnel; most are detectives. The

detectives are primarily organized into nine functional areas: Homicide, Sex Crimes, Gang/Felony Assault, Exploited and Missing Children, Auto Theft, Financial Crimes, Burglary, Robbery/Assault and Larceny. In addition, the department maintains Narcotics, Intelligence and Administrative sections. The Investigations Division is also responsible for the laboratory and the property and evidence facilities.

The Division focuses on the clearance of criminal offenses, which generally requires that a suspect be identified and/or that charges be filed against the suspect. Recent improvements in clearance rates are attributable to the increased number of detectives that were added through the Public Safety Initiative, as well as to the increased focus as a result of the reorganization of the Investigations Division. The reorganization led to increased specialization of detectives. In 2001, the improvements in the Investigations Division led to recognition of the Police Department as a finalist for the prestigious Weber Seavey Award for Quality in Law Enforcement. In 2003, based on data processing rate restructuring, additional computers were provided to Detectives to enhance their investigative capabilities.

Percent of Crimes Cleared – Police Investigations					
	2000	2001	2002	2003	2004
UCR part 1 crimes	26%	24%	23%	24%	24%
UCR violent crimes	66%	66%	68%	68%	68%
UCR property crimes	23%	19%	18%	19%	19%

**Persons Bureau.** The budget funds 45 commissioned positions that investigate violent crimes, including homicides, assaults and rapes. Clearance rates in this area have increased dramatically in the past few years, as the section was reorganized. Officers were transferred from the Intelligence Section and assembled into a Gang/Felony Assault Team. In addition, specialization of investigate efforts has boosted the clearance rate. Staff also have teamed with Sheriff's officers and State of Kansas staff to form the Exploited and Missing Children Unit.

Selected Service Level Measures – Property and Persons					
	2000	2001	2002	2003	2004
Homicides cleared	82%	71%	80%	100%	100%
Rapes cleared	72%	77%	82%	100%	100%
Agg. Assaults cleared	76%	78%	83%	80%	80%
Auto Thefts	1,859	1,793	1,827	1,800	1,800
Auto Thefts cleared	21%	17%	17%	20%	20%
Burglaries	3,948	4,460	4,526	4,300	4,300
Burglaries cleared	14%	17%	12%	20%	20%

**Property Bureau.** Less violent, property crimes are investigated by the 47 commissioned officers assigned to this bureau. Property crimes include auto theft, larceny, burglary,

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robbery and fraud. The Computer Crimes and the Financial Crimes Sections were established with grant funds. Between 1997 and 1999, grant funds were received to establish and train a two-person team to focus exclusively on the use of computers in criminal offenses.

As a final component of the Public Safety Initiative, six detectives were added to increase the focus on forgery, embezzlement, fraud and other financial crimes. These officers regularly present fraud alert and traveling con-man awareness programs to the community, and make presentations to the Wichita Area Retail Crime Council.

**Special Investigations Bureau.** To investigate vice and narcotic violations, the Department maintains a Special Investigations Bureau staffed with 32 positions (29 of which are commissioned). Included in the Bureau is an Intelligence Section, which monitors and attempts to locate and arrest the more violent criminal. The staff also work closely with the Gang/Felony Assault Unit and SCAT officers, as appropriate.

**Police Laboratory.** The Police Laboratory, a component of the Investigations Division, has 14 crime scene investigators and supervisors who focus on collecting evidence at crime scenes. Two photographers manage photographs of evidence, and two forensic examiners analyze latent fingerprints to identify suspects. The Department utilizes a terminal networked to the Automated Fingerprint Identification System (AFIS) at the Kansas Bureau of Investigation headquarters in Topeka. AFIS has proven to be invaluable in solving crimes and identifying criminals, resulting in higher clearance rates.

The Property and Evidence section is staffed with seven positions and is responsible for storing and transporting all evidence. In 2002, two chemists were transferred from the Police Department to the County Forensic Science Center. With this transition, Sedgwick County began evidence-testing functions.

**The Support Services Division** provides a variety of services to the department. The Division is organized into four bureaus: Special Services, Records, Training and Special Operations. The Professional Standards section is also included in this Division.

**Special Services** includes Community Affairs, School Liaison, Fiscal Affairs and Court Liaison sections. The four officers assigned to Community Affairs focus on crime prevention and provide free security assessments to Wichita residents and businesses. The staff of five in the Fiscal Affairs section are responsible for payroll, budgeting and all other departmental financial matters. The Court Liaison section coordinates officer appearances in court to mitigate officer inconvenience and overtime. The School Liaison section works with children, teaching the DARE program to area 5th graders, as well as administering other prevention programs. During summer months, responsibilities include bicycle clinics. In 2002, the

Special Services Bureau assumed responsibility for the monitoring and the implementation of the City's false alarm ordinance.



*An eager young bike rider practices slow speed handling skills under the watchful eye of a Wichita Police School Liaison Officer.*

**The Records Bureau's** 74 civilian positions are divided into two sections. The SPIDER section provides informational support, typically via radio, to beat officers checking suspects for City warrants and other support. The remainder of the records staff provides clerical support in creating, transcribing and filing police cases. Report transcription has recently improved due to the investment in a new digital dictation system. The digital dictation system has improved the speed and effectiveness with which police reports are recorded and can subsequently, be accessed. In addition, the new Public Safety computer system and the associated imaging capabilities will further enhance the productivity of this function.

**The Training Bureau** coordinates recruit training, in-service training and firearms training for all department staff. In conjunction with the Sedgwick County Sheriff, the Police Department operates a Training Center in north Wichita. Expenses are generally split; 75% City, 25% County. The facility also functions as a back-up emergency communications center. Annually, an average of 40 police recruits are trained. Staff also coordinates over 25,000 hours of in-service training for commissioned personnel.

In 2002, the City Safety Office purchased a new driving simulator. Working closely with Police Training staff, the simulator has been utilized by Police to enhance recruit driving awareness, in an effort to reduce vehicle accident costs. The Training Bureau also provides firearms training at the Joint Law Enforcement Firearms Training Facility. Costs of the facility are shared equally between the Police Department and the Sedgwick County Sheriff. The facility provides both live fire and simulated firearms training.

The Professional Standards Bureau is staffed with three commissioned and one civilian position. Their primary



## CITY OF WICHITA

responsibility is to actively investigate citizen concerns regarding the delivery of Police services, to ensure that services are provided in a professional manner.

**The Special Operations Bureau** is responsible for the Air Section, the Accident Follow-up Unit, the Warrant Office and select units comprised of officers permanently assigned to other duties, such as the eight person Bomb Squad that handles ordnance disposal throughout the region; the highly trained Special Weapons and Tactics team of 15 officers available for high risk, violent or hostage situations; the 12-member honor guard that represents the department and City at special events; and the seven member Mounted Unit. In addition, the Bureau coordinates the chaplain program and the Reserve Unit, in which law enforcement trained civilians volunteer to augment Police Services.

The Air section currently operates a MD 500E Model turbine helicopter, purchased earlier in 2003. Three commissioned positions and one mechanic are assigned full-time to helicopter duty. The helicopter provides air support during automobile pursuits allowing ground officers to use less aggressive pursuit tactics. Other services include searching for fleeing suspects and missing persons.

The Mounted Unit provides crowd control services, particularly during the annual River Festival. The Mounted Unit has been



*The Wichita Police Department patrols the skies over Wichita with a new MD 500E turbine helicopter, purchased in 2003. Here, the helicopter is shown on static display during the Airborne Law Enforcement Association conference hosted in Wichita in 2003.*

utilized for patrolling the Old Town entertainment district and shopping centers during the holiday season

The Warrant Office works in close coordination with Planning and Research, SPIDER and the beat officers to apprehend persons with City warrants. The Warrant Office includes eight commissioned officers, in addition to civilian support staff. Annually, the Warrant Office serves over 12,000 warrants.

### Police Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	42,973,028	46,090,970	45,286,300	47,541,530	49,048,050
Contractual Services	6,312,824	5,311,100	5,199,410	5,371,410	5,374,190
Commodities	768,150	727,080	1,045,500	712,420	726,770
Capital Outlay	924,723	0	187,310	0	0
Other	66,146	280,040	239,680	416,040	466,330
<b>Total Police Dept. Expenditures</b>	<b>51,044,871</b>	<b>52,409,190</b>	<b>52,498,200</b>	<b>54,041,400</b>	<b>55,615,340</b>
Other Grants	1,170,900	0	607,110	0	0
Local Law Enforcement Block Grant	303,377	0	289,600	0	0
Narcotics Seizure Funds	547,657	0	285,240	0	0
COPS in Schools grant	349,552	93,350	177,600	0	0
Victims of Crime Assistant grant	139,456	72,760	109,980	91,920	0
General Fund	48,533,929	52,243,080	51,028,670	53,949,480	55,615,340
<b>Total Police Dept. Resources</b>	<b>51,044,871</b>	<b>52,409,190</b>	<b>52,498,200</b>	<b>54,041,400</b>	<b>55,615,340</b>
Total commissioned positions	646	645	643	642	642
Total full-time civilian positions	193	188	187	183	183
Total part-time civilian positions	4	4	4	4	4
Total FTE positions	841	835	832	827	827



## CELEBRATING 100 YEARS OF FLIGHT

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### “Ride That Crazy Plane”

**Artist:** Kim B. Lister  
**Where:** Towne East Square, Inside  
7700 E. Kellogg  
(Kellogg & Rock Road)  
**Sponsor:** Towne East Square -  
Simon Property Group  
**Benefits:** Simon Youth Foundation

### “Boing, Boing”

**Artist:** Mark Walker  
**Where:** Hillcrest Bank  
7701 E. Kellogg  
**Sponsor:** Hillcrest Bank  
**Benefits:** Inter-Faith Ministries





## Highlights

- ✓ Continuing to expand the Family Self-Sufficiency program with the addition of a Housing Leasing Specialist position. Additional HUD grant dollars received to support an additional position.
- ✓ Exploring alternatives for the consolidation of Public Housing administrative personnel.
- ✓ Beginning in 2003, the Department is operating without General Fund support.

Housing Services exists to establish and maintain an affordable housing strategy for the City that encompasses housing, rent and utility assistance, home ownership, and home rehabilitation.

## Overview

Housing Services is funded from grants. Two principal functions of Housing Services are the administration of the Wichita Housing Authority's (WHA) Public Housing and Section 8 Housing Assistance programs funded from the U.S. Department of Housing and Urban Development (HUD). Other programs Housing Services administers include the HOME Program, the Direct Loan and Deferred Loan Programs, the Infill Housing Program and the Emergency Shelter and Assistance programs. Most services are targeted to low-income citizens for housing assistance, home ownership and home rehabilitation.

## Finance and Operations

WHA Public Housing rents publicly-owned housing to low-income households at an affordable rate based on income and family size. Rent is based upon 30 percent of the household adjusted gross income. The WHA owns various single-family houses, primarily located in the inner City, and four apartment complexes: Greenway Manor, McLean Manor, Rosa Gragg and Bernice Hutcherson. WHA receives additional funding

from HUD to improve the physical condition of the public housing properties through renovation and rehabilitation.

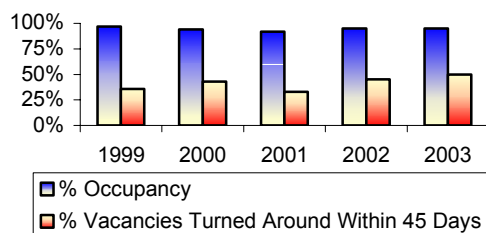
Section 8 provides rent and utility assistance through vouchers and certificates. The Section 8 Voucher Program provides subsidy vouchers to tenants based on a rent set by the landlord and tenant, within an upper rent limit set by HUD. Today, Section 8 serves approximately 700 landlords and over 2,500 tenants. The budgets reflect HUD's mandate to gradually convert all the existing Section 8 program activities to the Section 8 Vouchers. Section 8 is required to inspect the housing unit prior to tenant occupancy, 120 days after occupancy and annually thereafter to ensure the landlord is maintaining the housing unit in compliance with housing standards. Section 8 is also required to perform exit inspections to ensure no damage occurred above the customary living usage.

Section 8 manages the Family Self-Sufficiency (FSS) program that assists current Section 8 clients to accomplish agreed upon goals over a five-year period. One standard goal is to seek and maintain employment. As participants increase their income, the program sets aside money in an escrow based on starting incomes. Once the participant has completed the program successfully, the escrow money is awarded to them. The program has been successful and has assisted 60 families in purchasing their own home, starting a new business, or completing a four-year college degree. Due to the success of the program, HUD is continuing to provide funding to support the administration of the FSS program.

The HOME Program is instrumental in facilitating development of safe, clean, and affordable housing by providing assistance to both individuals and housing development organizations. Through the use of available land, and partnering with local developers, the HOME Program has led to redevelopment of older, blighted neighborhoods and creation of several new multi-family subdivisions.

Beginning in 2003, General Fund support for the Housing Services Administration activities was eliminated with activities being transferred to applicable grants. Additionally, the department has begun recruitment for a new Director of Housing.

**Public Housing Occupancy**





*Rosa Gragg Gazebo and Courtyard*



*Considerable efforts have been made to improve and maintain the upkeep and landscaping of public housing units, including the gardens shown here at Rosa Gragg.*

## Housing Services Department Budget Summary

	2002	2003	2003	2004	2005
	Actual	Adopted	Revised	Adopted	Approved
Personal Services	2,768,882	2,610,060	2,610,060	2,770,080	2,822,765
Contractuals	11,143,063	11,336,110	11,327,910	11,329,405	11,336,195
Commodities	361,684	194,658	194,658	194,658	194,658
Capital Outlay	255,038	0	0	0	0
Other	240,800	800	800	800	800
<b>Total Expenditures</b>	<b>14,769,468</b>	<b>14,141,628</b>	<b>14,133,428</b>	<b>14,294,943</b>	<b>14,354,418</b>
General Fund	169,088	0	0	0	0
Wichita Housing Authority/Section 8	13,819,635	14,141,628	14,133,428	14,294,943	14,354,418
<b>Total Expenditures</b>	<b>13,988,723</b>	<b>14,141,628</b>	<b>14,133,428</b>	<b>14,294,943</b>	<b>14,354,418</b>
Locally-funded positions	1.15	0	0	0	0
Grant-funded positions	55.63	60.33	64.62	64.62	64.62
Total FTE positions	56.78	60.33	64.62	64.62	64.62

## Highlights

- ✓ The 2003 revised budget funds consolidation of the four neighborhood libraries into two larger libraries: the Evergreen District Library in North Wichita, opened in 2002; and the Lionel P. Alford Regional Library in South Wichita, opened in 2003.
- ✓ Provides easier access to the library catalog from within libraries and from remote sites.
- ✓ The budget includes the implementation of the new Telecirc server to replace an antiquated system.
- ✓ Approximately two percent permanent reduction included in the total budget. This result in curtailing the budget in many areas comprise of the elimination of one part-time support staff and couple critical programs such as the Youth Outreach programming.

The mission of the Wichita Public Library is to address the core informational needs of children and adults with life-long learning opportunities, and promote personal growth and development by providing equitable access to information for all citizens of Wichita.

### Overview

The Wichita Public Library operates a central downtown facility, four district (or regional) libraries and five neighborhood branches. The Central Library, district branches, and some neighborhood branches offer services seven days a week. The remaining locations operate on reduced schedules of four to six days per week. Each library facility contains a broad range of popular reading materials, including books, magazines, and newspapers. Music, videos, DVDs, computer software, and artwork are available for checkout. Access to the Internet is now available at workstations in every location, and the library system also offers a variety of reading and other community outreach programs to the citizens of Wichita.

The Library has over one million holdings, including 644,968 books; 128,316 periodicals; 105,387 pamphlets; 88,366 audiovisual items; 63,099 microforms and 3,264 other media items. Sixty-two percent of all Library holdings are located at the Central Library, 19 percent are located between the three District Branch Libraries, and 19 percent are dispersed among the numerous neighborhood branch libraries.

The Library's long-term strategy was successfully accomplished as of March 2003 with the consolidation of four smaller branches into one new district and one new regional library. The strategy is consistent with a 1993 consultant study that recommended library services be centered at larger facilities serving each quadrant of the City. Pursuant to these efforts, funds are included in the 2003 Budget to finance the operation of two new branch libraries, the Lionel P. Alford Regional Branch Library, which consolidates Aley and Seneca branches in south Wichita, and the Evergreen District Library, consolidating the Marina Lakes and Minisa branches in north Wichita. The Evergreen Branch opened on November 2<sup>nd</sup>, 2002, and the Alford Branch opened on April 5<sup>th</sup>, 2003.



*Evergreen Branch Library*



*Alford Branch Library*

The new libraries are projected to greatly increase the quality of library service, the number of patrons served, and the availability of materials to the citizens of the service area. Large increases in program attendance are projected, primarily due to the new libraries having space for programming that is not available in the existing smaller facilities. With more citizens enjoying library programs, a corresponding increase in use of all library services is anticipated.

### Finance and Operations

Library services are funded from the General Fund, supplemented with grant resources approaching \$600,000 annually. On average, revenues generated directly by Library



## CITY OF WICHITA

activities cover approximately six percent of operating costs. Sources of library revenue are overdue fines, copy machine revenue, miscellaneous sales and rental of meeting rooms. Total revenues for 2003 are projected to be \$417,760, a 16 percent increase over 2002. Revenues in 2004 are projected to increase slightly from the current year, a result of the increased usage at the two new libraries.

Summary of Library Revenues				
	2001	2002	2003	2004
Desk receipts (overdue fines)	273,233	271,007	337,710	337,710
Copy machine revenue	35,373	34,333	36,540	37,030
Lost material & misc reimbursements	37,234	32,948	32,000	32,800
Meeting room rental	4,204	4,907	4,210	4,210
Other miscellaneous sales & receipts	0	10,793	7,300	0
<b>Total revenues</b>	<b>350,044</b>	<b>353,988</b>	<b>417,760</b>	<b>411,750</b>

**The Collection Development Division** acquires and disseminates resources to library patrons, as well as maintains the Library's collection of books, periodicals and multi-media collections. The Collection Development Division allocates the materials budget to meet the service demands of library patrons and organizational service delivery standards. In 2003, the materials budget of all library facilities was consolidated into this division to coordinate purchases into a centralized master resource purchasing plan. A more coordinated approach to acquiring materials will result in an expanded scope and depth of a greater variety of materials. With a system wide view, resources can be better selected in response to customer requests and use, increasing high demand resources and reducing copies of less utilized resources. However, the 2003 materials budget will be nine percent less due to the budget limitations.



*Citizens explore the capabilities of the Library's Technology Training Center.*

**The Customer Service Division** is charged with ensuring the Library addresses patron needs with a proactive approach. The division has responsibility for the management and administration of the Central Library circulation section, volunteer coordination and staffing, and neighborhood libraries. Library

staff together with the City's Personnel staff, maintain a qualified candidate pool for quicker replacement of vacant part-time positions, providing a more stable front-line staff. The division has been coordinating the recruitment, selection and training of all new employees added to the department staff in 2002 for the Evergreen Branch, and in 2003 for the Alford Branch. A comprehensive training/cross-training program is maintained to bolster front-line staff, as well as integrate library volunteers into library operations.

**The Programming and Outreach Division** is responsible for promoting literacy, library awareness and library resources. Examples of program development and outreach activities are the expansion of adult programming and increased promotion of programs for identification and service of underserved customers. The division consists of the Central Library's Children's Center, the Youth Outreach Librarian, Talking Books and Homebound services. Additional funding was scheduled for at-risk youth targeting after school, Head Start and day care programs. In an average day, approximately 90 children and more than 25 adults attend programs hosted by this division. Starting in 2003 budget, the contracted Youth Outreach programming will be eliminated. Outreach programming will be reduced and supported by the youth outreach librarian in addition to the librarian's other responsibilities. As a result, 1,500 youth and more than a dozen agencies are expected to receive reduced levels of this service.



*Dozens of children attend weekly story time, shown here at the Maya Angelou Library. The library system also offers a variety of reading and other community outreach programs to the citizens of Wichita.*

**The Reference Services Division** assists patrons in accessing and utilizing the Library's reference resources. During the past year Reference Services focused on enhancing reader advisory services, expanding training for customers and staff in the use of reference resources, expanding electronic reference resources and arranging collections according to patrons use and demand. Another priority of the division is the development of reference collections in district branches to provide more convenient access to resources by library customers. The Reference Services Division consists of the Central Library's

subject sections (Art, Music and Video, Business and Technology, General Reference, Local History and Genealogy) and the Westlink and Rockwell District Libraries.

**Support Services** provides a proactive support network for service delivery to patrons and staff. During the past year, staff have placed a greater emphasis on facility maintenance and completed a restructuring of support activities to match patron needs, organization goals and project development.

The upgrade of six public workstations to make electronic data available to citizens with physical disabilities has been implemented. Each Council District presently has a library facility with one American of Disabilities Act (ADA) fully compliant workstation. The new workstations accommodate wheelchairs, provide technology that enlarges electronic text and provide a voice component that read the electronic text on the computer screen to the user.

The integration of the library information systems into the City's Information Technology support system is being phased in. The integration establishes a replacement schedule for data processing equipment, ensuring more current technology is available to administrative staff and library patrons alike. System availability (up-time) has consistently been maintained in the 98 percent to 99 percent range with nearly all downtime occurring as a result of scheduled backups during overnight hours. It is anticipated that the changes will sustain those very high levels of service.



*A Junior Volunteer at the Rockwell District Library assists with the Reading Club program for children.*

The Library's Internet presence is scheduled to be completed in 2003. The upgrade will provide easier access to the web-based catalog. Expanded information about titles will offer a more visually enriched presentation, similar to that of the Internet bookstores. A Spanish catalog will complement the English version, reducing language barriers for our Spanish-speaking patrons. A children's version of the catalog will also be available.

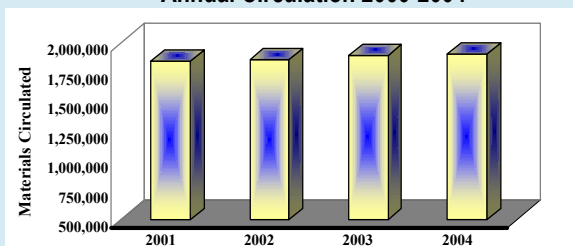
As part of the Information Technology Integration, the Library is required to maintain all equipment within its stated "End of Life" cycle. The Telecirk serve is such equipment that will reach its lifetime on June 30, 2003, and so it must be replaced accordingly. Telecirk is a software and hardware interface to the Library's circulation system that delivers voice messages to library patrons who have overdue books or items being held for them. This service saves the Library a considerable amount of money otherwise spent on multi-part mailers and postage. The replacement of the antiquated Telecirk Server is scheduled in the third quarter of 2003.

The 2003 Revised budget includes approximately 5 percent reduction from the 2003 Adopted budget. The reduction will have direct impact on the library, staff, and their customer service in the following areas:

- Eliminated the contracted Youth Outreach programming
- Eliminated legal advertising
- Travel and conference reduced by 80%
- Materials binding a 70% reduction
- Equipment replacement reduced by 50%
- Photocopying reduced by 16%
- Library materials a 9% reduction

Despite the domino financial impact, the library will continue to be responsive to the community's changing interests and needs, and continue to fulfill their pledges to provide equitable access to information for the citizens of the greater Wichita area and to respect the diversity of its patrons.

**Annual Circulation 2000-2004**



**Major Service Levels**

	2001	2002	2003	2004
Reference questions fielded	334,320	320,818	335,092	336,620
Registered borrowers	169,383	165,208	166,860	168,529
Program attendance	39,385	45,468	39,130	42,010

**Selected Performance Measures**

	2001	2002	2003	2004
Circulation per capita	5.3	5.4	5.8	5.8
Services per capita	16.18	11.51	14.0	14.0
Registered borrowers as a percent of pop.	49.2%	47.9%	48.4%	48.9%
Program attendance per 1,000 pop.	114.4	131.93	113.4	121.7
Avg. cost per Library use	\$0.96	\$1.42	\$1.26	\$1.37





## Library Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Proposed	2005 Projected
Personal Services	3,978,826	4,439,790	4,294,960	4,430,850	4,551,010
Contractual Services	843,209	1,020,860	935,840	1,045,580	1,064,140
Commodities	724,140	723,780	661,840	758,630	758,630
Capital Outlay	85,180	0	0	0	20,000
Other	0	0	0	0	0
<b>Total General Fund Expenditures</b>	<b>5,631,355</b>	<b>6,184,430</b>	<b>5,892,640</b>	<b>6,235,060</b>	<b>6,393,780</b>
Total Local Source Revenue	5,631,355	6,184,430	5,892,640	6,235,060	6,393,780
Total Grant Source Revenue	570,323	581,700	581,700	581,700	581,700
<b>Total Operating Resources</b>	<b>6,201,678</b>	<b>6,766,130</b>	<b>6,474,340</b>	<b>6,816,760</b>	<b>6,975,480</b>
Total full-time (Locally funded)	84	90	87	87	87
Total part-time (Locally funded)	49	53	51	51	51
Total FTE (Locally funded)	108.5	116.5	112.5	112.5	112.5
Total FTE (Grant funded)	10.38	10.38	10.38	10.38	10.38

## Highlights

- ✓ The Wichita Art Museum expansion is complete and the reopening was held on June 9, 2003.
- ✓ The Wichita Art Museum's goal is to serve 100,000 people annually.
- ✓ A net increase of over \$100,000 in the City annual subsidy is included in 2003 Revised budget.
- ✓ One support staff position is eliminated from the 2003 Revised budget.

The Wichita Art Museum is a major cultural center serving the state's largest city and the surrounding Great Plains region. Its purpose is to promote the study of American art and to engage the public in the enjoyment and understanding of America's artistic heritage and evolving cultural identity.

### Overview

The Wichita Art Museum (WAM) is the largest art museum in Kansas and contributes to the cultural vitality of life in Wichita. Exhibits include selections from the permanent collection of more than 7,000 artworks. Along with a large collection of paintings, the Museum offers a rich selection of sculptures, works on paper, drawings, and decorative arts. The collection of American masterpieces reflects the richness and diversity of American culture from colonial times to the present and includes artworks by artists like Edward Hopper, Marry Cassatt, Winslow Homer, Thomas Eakins and many others. The Art Museum hosts visiting exhibits from across the country three to four times per year.

Museum staff works closely with volunteers to present a vigorous educational program. The public enjoys "Stories in Art" sessions based on artwork in the Museum's galleries, educational videos and gather weekly for "Gallery Talks." WAM for Kids, located in the basement of the facility, is an educational and fun center for children of all ages and their parents. Each year more than 13,000 school children benefit from classroom visits, tours of exhibits and educational materials. In addition to those services, the Museum offers rental rooms for special events; a store with unique and interesting gifts; and a research library including locally hard finding resources, auction records, and exhibition catalogues. Many volunteers contribute by providing policy leadership as board members, conducting tours, raising funds to supplement City support, and working directly with professional staff to serve the public. The Wichita Art Museum's Art Library consists of 40,000 works, including 8,000 volumes, which augments the Wichita Public Library's material collection.

### Finance and Operations

The Wichita Art Museum receives an annual subsidy from the City to support operating costs. Additional funds are provided by private donations. Beside the annual subsidy, the City also



*The newly expanded Wichita Art Museum is internationally recognized for collections of outstanding American Masterpieces.*

provides two Building Maintenance support staff and will enhance building security by adding two exterior security cameras to the existing security system in 2004 as additional operation support. Starting in 2003, WAM receives additional annual subsidy from the City for the increasing operating expenses due to the expansion. A net increase of over \$100,000 in annual subsidy is included in this year budget. The 2003 budget also includes the elimination of one support staff.

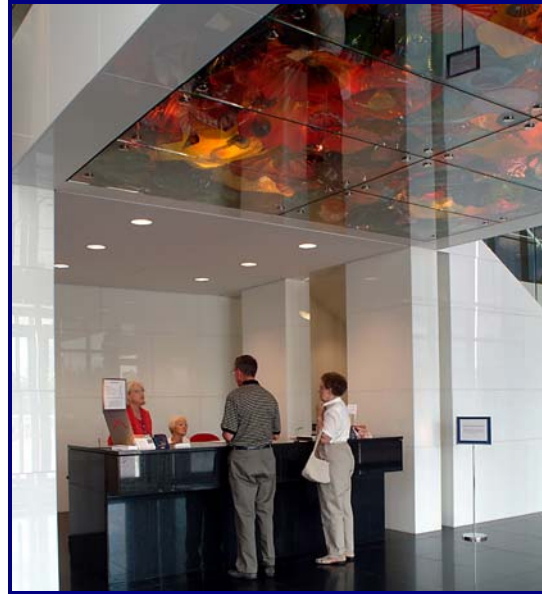
The Museum's expansion was completed in June 2003 with the addition of 34,000 square feet. This expansion makes the Wichita Art Museum 115,000 square feet, larger than Exploration Place. With a 42 percent increase in size, there is more space to exhibit premiere works of art as well as improved areas for the conservation, preservation, and storage of art collection. The City's contribution toward the expansion was \$6 million of the total \$10.5 million project budget. Private contributions, including a contribution from the County, made up the remaining \$4.5 million in project costs.

The enhanced Wichita Art Museum features:

- A beautiful, visitor-friendly entrance.
- A 6,000 square foot Great Hall featuring an elegant work of art by internationally renowned artist, Dale Chihuly.
- An elevated restaurant with a wonderful scenic view overlooking the Arkansas River and the Museums on the River corridor.
- An enlarged space for special events.
- Double the number of parking spaces.

The previous "WAM for Kids" has been transformed into a new interactive educational gallery for children and adults. The Art Resource Center has over 1,700 items that are available for loan to Kansas's teachers for classroom use. During 1999, more than 45,000 people viewed materials from the Center. The years 2000 and 2001 experienced only a slight usage decrease with 39,000 people using materials, despite the fact that the Center was moved to an off-site location.

The Wichita Art Museum's goal for 2003 is to serve 100,000 people annually, which is a significant 55% increase from the 64,705 people that were served in 1999.



*Dale Chihuly (Am., b. 1941)*  
*Wichita Art Museum Seaform Installation*  
*Handblown glass, plate glass*  
*WAM, F. Price Cossman Memorial Trust,*  
*INTRUST Bank Trustee*  
*©Dale Chihuly 2003*

## Wichita Art Museum Budget Summary

	2002	2003	2003	2004	2005
	Actual	Adopted	Revised	Adopted	Approved
Personal Services	796,516	1,026,130	948,140	1,058,020	1,095,050
Contractual Services	395,988	369,240	351,850	224,440	186,190
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Other	0	0	0	0	0
<b>Total Fund Expenditures</b>	<b>1,192,504</b>	<b>1,395,370</b>	<b>1,299,990</b>	<b>1,282,460</b>	<b>1,281,240</b>
Total full-time positions	25	25	24	24	24
Total part-time positions	2	2	2	2	2
Total FTE positions	25.75	25.75	24.75	24.75	24.75

## Highlights

- ✓ Park equipment and structures maintenance functions are consolidated into the Fleet and Buildings operations, respectively. Nine full-time and three part-time positions move to Public Works.
- ✓ A replacement asset management information system, DataStream, is funded in 2003. The system will be used by the Fleet and Buildings Divisions of Public Works, as well as Airport and Transit operations.
- ✓ The General Fund subsidy of the Storm Water Utility is phased out in 2004.
- ✓ The ERU rate increases by five cents each year (10 cents total) in 2004 and 2005 to fund the phase out of the storm water subsidy.
- ✓ A cost-saving proposal to replace signal lenses at crosswalk intersections saves the City more than \$100,000 over the life of the equipment and continues the City's commitment to environmental stewardship.

The mission of the Public Works Department is to provide for the design, construction and maintenance of the City's streets, roads, sidewalks and traffic control devices; provide maintenance and custodial services for City buildings; provide management oversight of the landfill and associated environmental/solid waste programs; operate and maintain the City's storm water drainage system and manage and operate the City's vehicle fleet.

### Overview

The Public Works department is organized into six divisions: Administration/Natural Resources, Engineering, Building Maintenance, Street Maintenance, Storm Water Management and Fleet Maintenance.

Administration staff coordinate and manage all department activities. Natural Resources staff provide public information and education on environmental issues. The Engineering Division plans, designs, administers, and inspects the construction of all infrastructure, such as freeways, bridges, streets, traffic signals, sewer and water lines, drainage systems and railways. Building Maintenance provides maintenance and custodial services for more than 260 public buildings. Street Maintenance maintains curb-to-curb infrastructure, including streets, alleys, vehicular and pedestrian bridges, signalized intersections and crosswalks, and street signs. Street Maintenance also is responsible for the operation of the construction and demolition landfill. The Storm Water Utility is responsible for construction and maintenance of the City's storm water drainage system, including storm sewers, catch basins, streams, and drainage ways. Fleet Maintenance maintains approximately 1,900 City vehicles and pieces of equipment.

### Finance and Operations

Public Works operates seven divisions out of eight different funds and subfunds. The Department's street (curb-to-curb) functions are funded with the City's share of gas tax revenues collected by the State. Gas-tax funded activities include street maintenance, street cleaning, traffic maintenance, snow and

ice control, engineering and the street portion of the capital investment maintenance program.

Many other activities beyond curb-to-curb projects are paid from the General Fund, including department administration, natural resource conservation, design review for non right-of-way projects (not gas tax eligible), building services, street lighting, and the public buildings portion of the capital investment maintenance program.

Public Works operates from numerous funds besides the General Fund. Operational funds include the State Office Building, Construction & Demolition Landfill, Landfill Post Closure, Storm Water Utility, City-County Flood Control and Fleet Fund.

**The Administration Division** communicates public infrastructure needs to the City Manager and Council, and the State and Federal transportation and highway agencies. Additional responsibilities include ensuring department compliance with internal and external regulations, policies, and procedures and recovering costs of damaged department property.

#### Selected Administration Performance Measures

	2001	2002	2003	2004
Property damage cases billed	191	149	175	175
Amount billed (000)	\$157	\$181	\$125	\$125
Amount collected (000)	\$130	\$114	\$100	\$100
Percentage collected	82.9%	63.0%	80.0%	80.0%

**Natural Resources** staff provide public information and education on environmental issues, focusing primarily on water usage. Information is distributed through television advertisements and public outreach.

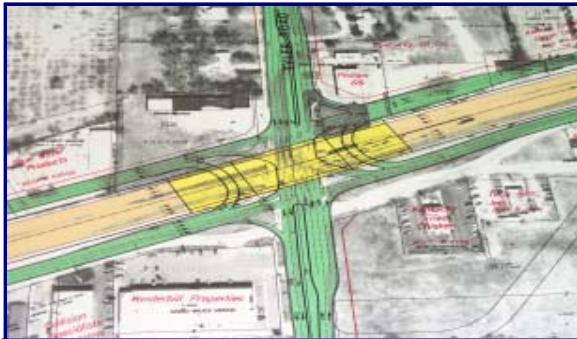
Beginning in 2002, the Natural Resources Director is funded 50 percent by the Construction and Demolition landfill budget. To support the landfill operation, the Director works with regulatory agencies such as the Kansas Department of Health and



Environment (KDHE) and serves as the City representative to the County's solid waste advisory board. The Director's other responsibilities include monitoring and negotiating utility franchise agreements, researching municipal electric utility matters and exercising leadership in the City's response to the changing telecommunications environment. The Resource Analyst position will continue to be funded by the Water Department and will continue with public education efforts and will assist with the new W.A.T.E.R. Center.

**The Engineering Division** is responsible for planning, designing, administering, inspecting and overseeing the construction of all infrastructure including: freeways, bridges, streets, traffic signals, sewers, water mains, storm drains, park and railway projects, including privately-funded projects for public use. Activities include project planning and initiation, design review, right of way and utility coordination, cost estimating, contract administration, project financing, and engineering advice for the Capital Improvement Program (CIP) and City departments.

Engineering issues permits for utility street cuts, driveway and sidewalk construction, and performs inspections of contractors' work. The Division also administers the street lighting system and investigates traffic concerns.



*The preliminary design drawing for the intersection of West Kellogg and Tyler Road, currently under construction.*

Construction contracts exceeded \$110 million in 2002, including over \$48 million for Kellogg freeway construction and over \$16 million for streets, sewers, water lines, and other public improvements for newly developing areas in the City. Major projects for which Engineering provided oversight in 2002 included 21<sup>st</sup> Street from Hillside to Oliver; Maple from 119<sup>th</sup> Street West to 135<sup>th</sup> Street West; Central and Hillside

intersection; Seneca Street from Maple to 3<sup>rd</sup> Street; Central from Tyler to Woodchuck; 21<sup>st</sup> Street from Maize Road to 119<sup>th</sup> Street West; and two drainage projects; Hydraulic from 37<sup>th</sup> Street to MacArthur; and the Wichita Drainage Canal from 10<sup>th</sup> to 17<sup>th</sup> Streets. Work began on the Kellogg interchanges at Tyler and Maize.

In 2002, 125 design contracts - valued at more than \$3.5 million - were awarded, including 29<sup>th</sup> Street from Maize to Tyler; Central from Woodlawn to Rock; and bridges over Chishom Creek, Cowskin Creek and Dry Creek. Design work continued for future railroad overpasses and the east Kellogg freeway interchanges.

Engineering is also responsible for the planning and design of traffic control devices such as signalized intersections, traffic signs, and pavement markings. Engineering also supports the Planning Commission on development issues, monitors traffic, and responds to citizen traffic concerns. In addition, Engineering administers the \$3 million annual street lighting program, provided contractually through Westar Energy (formerly KG&E).

**Building Services** provides custodial, maintenance, and repair services to more than 260 City-owned buildings, including City Hall, Central Maintenance Facility, Mid-America All-Indian Center, libraries, Art Museum, Wichita/Sedgwick County Historical Museum, Century II and Expo Hall, Lawrence Dumont Stadium, park shelter buildings and restrooms, community and recreation centers, Botanica, the Museum of Ancient Treasures, Wichita Boathouse and Wellington Place. Building Services added maintenance of Fire facilities in 2001.

In early 2003 maintenance of all Park facilities was consolidated in Building Services. Technical building maintenance, including plumbing and electrical maintenance, as well as exterior maintenance such as fountains are now the responsibility of Building Services. Four full-time and three part-time positions (and a total budget amount of \$302,000) were transferred from Park Department to support the consolidated responsibilities.

The proposed budget addresses major maintenance needs for the City's buildings through a supplemental building maintenance allocation. Annually, from 1999 through 2002, \$1.2 million has been allocated to major maintenance, for a total allocation of \$4.8 million over the four-year period. The

## Selected Engineering Performance Measures

	2001	2002	2003	2004
Change orders as a percent of total projects contracted	2.8%	1.0%	2.0%	2.0%
CIP projects completed within budget	90.6%	92.0%	94.0%	94.0%
Streets constructed without change orders	93.0%	95.5%	97.5%	97.5%
Avg. number of days from contractor payment to Statement of Cost	63	82	70	70

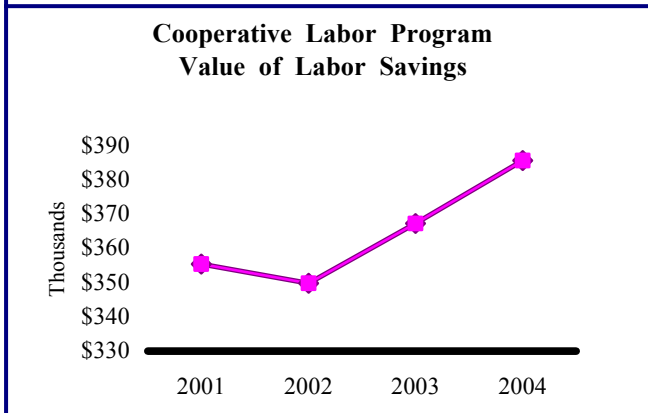


Enhanced Building Maintenance (EBM) funds are used for major repairs that cannot be addressed with routine maintenance, such as foundation repairs, roof replacements and structural refurbishment, as well as for aesthetic improvements and upgrades that improve the appearance of City facilities. Unspent funds from the EBM allocation are proposed to be substituted for the annual buildings' contractual maintenance allocation in 2003 and 2004, effectively shifting almost a quarter million dollars per year from the General Fund to the project account. The Buildings capital investment maintenance program is restored in the 2005 Projected budget.



*The Hotel at Old Town parking garage is one of over 260 buildings maintained by Building Services.*

Selected Building Services Performance Measures				
	2001	2002	2003	2004
Maint. costs per sq. ft.	\$0.48	\$0.48	\$0.55	\$0.58
Custodial costs per sq. ft.	\$1.34	\$1.52	\$1.55	\$1.57



Increasing custodial and maintenance responsibilities for more than 260 buildings have challenged the capacity of existing staff and resources. The 2001 Budget added two custodial positions, related supplies and equipment for maintenance of the new Neighborhood City Halls. In 2002, two maintenance mechanics were added to support the increasing number of City facilities. For 2003, an additional maintenance mechanic was added in recognition of the Art Museum expansion.

Funding for vehicles and building parts and supplies were added for each of the three new positions.

Building Services participates in the management, specification writing and administration of building construction and major building maintenance projects, in conjunction with other departments. To assist with the increasing number of public building capital projects, a Special Projects Coordinator was added beginning in 2002. Position costs are charged to the various capital projects supervised.

Some of the major 2003 capital projects administered by Building Services include: the design of the Riverside Park improvements, the Wichita Art Museum expansion, the Alford Regional Library, the Evergreen Regional Library, construction and relocation of five fire stations, Homeland Defense Readiness Center, and the Central Maintenance Facility (CMF) Expansion/Water Department Relocation. 2003 capital projects include the Northeast Baseball Complex (under design), with the initial phase incorporating four fields and related site improvements, and one more fire station construction and relocation project.

Building Services also oversees the Cooperative Labor Program that transports and supervises work performed by inmates from the Winfield Correctional Facility. The value of labor received through this program more than offsets the costs of program administration. In 2002, over 33,000 labor hours were provided at minimal cost to the City through this program.

The **State Office Building** and garage facilities are also maintained by Building Services. The building previously housed a department store and was remodeled extensively for use as an office building, opening in July 1994.

Offices housed in the State Office Building include the Human Rights Commission, Department of Social and Rehabilitation Services, Department of Revenue, Department of Health and Environment, Bureau of Investigation and the Corporation Commission. The City's Career Development Division operates out of offices on the lower level of the garage, providing a one-stop career development, training, and placement services center. Job training and career development programs are funded by the Work Force Investment Act, Welfare to Work and the Community Services Block grant.

Revenue from the State finances the custodial maintenance and operating expenses of the State Office Building and garage. A private contractor provides custodial services and garage operations, while the City maintains a staff of three full-time and one part-time employee for state office building maintenance. Major maintenance projects are completed contractually. Beginning in 2002, \$50,000 is included each year for major maintenance on the parking garage, which has received only minor maintenance since opening. By agreement, operating expenses in excess of revenues are shared equally by the City and Sedgwick County.

## State Office Building Financial Summary of Operations \$ in Thousands

	2002	2003	2004	2005
Revenues	1,117	1,124	1,124	1,124
Expenditures	1,063	1,280	1,513	1,188
Budgeted income (loss)	54	(156)	(389)	(64)
Fund balance	618	462	73	9

The **Maintenance Division** maintains curb-to-curb infrastructure, including 1,800 miles of streets and alleyways, 261 vehicular bridges, 27 pedestrian bridges, 373 signalized intersections, 146 signalized crosswalks and 60,000 street signs. In a typical year, about 60,000 tons of street sweepings are collected and delivered to the C & D landfill. Maintenance manages snow and ice removal, and coordinates the City's response to floods and damage caused by high winds and other storm events. A major change is the consolidation of maintenance with Parks, Water/Sewer and Public works sharing space at three locations: the Central Maintenance Facility (CMF), Northeast Substation, and West Substation.

## Maintenance Division Expenditures \$ in Thousands

	2002	2003	2004	2005
Snow and Ice	355	383	250	250
Traffic Maintenance	2,506	2,841	2,740	2,808
Street Maintenance	10,895	10,969	11,562	12,441
Street Cleaning	1,739	1,656	1,745	1,788
Landfill Operations	3,174	1,635	677	680
Landfill Post-Closure	4,901	2,525	1,733	1,903
Total Expenditure	23,570	20,009	18,707	19,870

**Traffic Maintenance** maintains traffic signals, signs, pavement markings and pedestrian crossings. Beginning in 2001, a program was initiated to systematically replace 200 traffic signal heads and 120 pedestrian signal heads each year. The replacement program is continued in the 2003, 2004 and 2005 budgets. Replacing signal heads simplifies the replacement of signal lenses and bulbs, as the newer heads are less prone to breakage when handled than are the older heads, which tend to become brittle over time.

The 2003 budget includes a program to replace green lenses and walk/don't walk panels at all 146 of the City's mid-block signals (pedestrian and school crosswalks). Savings are captured through the use of light emitting diode (LED) technology, which use a fraction of the energy consumed by incandescent bulbs, and have a life cycle from 5 to 10 times the length of a traditional incandescent bulb. The program is expected to recover all initial costs after four years, and savings generated in years five through eight will exceed the cost of replacing the LEDs after eight years. Use of LEDs at all signalized intersections is a possibility for the future, and cost

payback models will be refined based on the City's experience with the mid-block signals.



*Traffic maintenance spent 13,728 hours servicing and repairing traffic signals in 2002.*

Thermoplastic marking equipment was added in 2001, allowing crews to use liquified plastic to mark intersections and crosswalks. Thermoplastic marking lasts five to seven times longer than reflective paint, depending on pavement condition and traffic levels, increasing the maintenance interval for remarking intersections and crosswalks.

A systematic program to replace traffic signal controllers and conflict monitors began in 2002. The replacement of 20 controllers each year will allow all of the old-model controllers to be replaced in 13 years. The replacement of 40 conflict monitors annually will result in the replacement of all of the old-model conflict monitors in less than four years.

A fourth truck for traffic sign maintenance was added in 2002, replacing a pickup previously in use. The pickup was insufficient to carry the tools and equipment needed for sign maintenance. The new truck will allow crews to make repairs more efficiently by eliminating the need for another truck to assist in tool delivery and sign removal and replacement.

**Street Maintenance** monitors the condition of City streets using the Pavement Management System (PMS). The PMS is a computerized street inventory and decision-making tool that rates the condition of streets and assists in determining the most cost-effective application of street maintenance resources. Streets are rated once every two to three years. The PMS system compiles the pavement condition data and assigns a Pavement Quality Index (PQI) number between 10 (new condition) and zero. Streets with a PQI less than seven are considered substandard. Currently, 20 percent of Wichita's streets are rated substandard.

The miles of City streets have grown in recent years with annexations and newly paved streets. More than 178 miles of streets were added from 1997 to 2002, with a projection of 20 miles to be added each year in 2003, 2004 and 2005. The added mileage includes almost 25 miles of dirt streets and over 61 miles of substandard asphalt streets.

# CITY OF WICHITA

The increasing miles of streets are addressed with additional budgeted resources. The \$1.2 million annual enhancement for the Contract Maintenance Program, which began in 1997, was continued through 2002, bringing the annual allocation to \$5.45 million. In addition, an annual allocation of \$200,000 is included for contracted street repairs in newly annexed areas. Beginning in 2003, \$600,000 of the enhanced maintenance funds and the \$200,000 annexed areas maintenance funds are incorporated into the Street Maintenance budget, reflecting the City's ongoing commitment to high-quality streets and roadways, both in the older areas of the City and for the newest Wichita neighborhoods.

Selected Street Maintenance Major Service Levels				
	2001	2002	2003	2004
Potholes patched	68,814	41,879	60,000	60,000
Permanent pavement repairs (sq. yds.)	41,348	27,205	23,000	23,000

Street maintenance equipment added in the last three years includes: the upgrade of two dump trucks to pothole patch trucks, which are capable of providing hot asphalt for longer lasting pothole patches and help with larger asphalt repairs; a new concrete mixer, to improve productivity of maintenance crews; and two asphalt paving machines, added to improve productivity on major street repairs. In 2001, an asphalt roller was added, placing a roller in each maintenance substation. The additional equipment combined with minimal time spent cleaning up after storm damage in 2002 allowed the Street Maintenance operation to complete a record amount of street repairs, as noted in the accompanying performance measures table.



*The City patched over 41,000 potholes in 2002 and projects to patch about 60,000 potholes each year in the future.*

Downtown and Old Town maintenance efforts are bolstered by the addition of a riding sweeper to improve productivity when cleaning sidewalks, parking lots and other pedestrian areas. An additional five-person maintenance crew and equipment was added in 2001 to maintain the new Douglas Avenue

Streetscape and Reflection Square Park, as well as to improve maintenance in the Old Town area.

**Street Cleaning** operates a fleet of seven mechanical street sweepers for sweeping downtown, arterial and residential streets. Residential streets are swept during the daytime, while arterials and highways are swept in the evening and night times to minimize inconvenience to citizens. Street sweepings are transported to the City's Construction and Demolition (C&D) Landfill, where the sweepings are screened to remove litter and then used as cover material for C&D operations.



*A City crew repairs a tree grate in Old Town. The City added a second repair and maintenance crew for downtown in 2001.*

Street Sweeping Major Service Levels				
Number of Cycles	2001	2002	2003	2004
Residential sweepings	2.2	3.2	3	3
Arterial sweepings	11	11	8	8
Downtown sweepings	139	139	120	120

Street Cleaning is responsible for graffiti removal and litter pickup, primarily responding to community requests for service. Street Cleaning also works with Police to ensure alleyways are clean and clear of debris, both to enhance community quality of life and to discourage criminal activity.

A final aspect of street maintenance is **Snow and Ice**. Maintenance Division crews provide protection for Wichita motorists by treating streets, bridges and intersections whenever slick conditions occur. For two to four months each year, crews are on alert for weather-related street maintenance duties. The annual budget of \$250,000 is augmented on an as-needed basis depending on the frequency and severity of storm events. In 2002 and 2003 Snow and Ice expenditures will exceed the original quarter million dollar budget allocation.

The **Construction and Demolition (C&D) Landfill Fund** finances operation and management of Brooks Landfill. Owned by the City, Brooks C&D Landfill serves all of Sedgwick County. The 323-acre landfill receives waste materials and non-friable asbestos, the only landfill in the region licensed by KDHE to accept asbestos.



Revenues for landfill operations and solid waste programs are generated from tipping fees collected at the landfill. A private contractor operates the landfill and collects the \$20 per ton tipping fee.

Sedgwick County assumed responsibility for solid waste disposal beginning on October 10, 2001. The County has implemented a transfer station system to collect and ship trash to distant landfills. Tipping fees have increased from \$26 per ton to \$38 per ton. If the City were to dispose of its waste through the transfer station, operating expenses would increase by \$2.5 - 3.5 million per year.

To avoid this costly future, the City converted Brooks to a C&D landfill. Operating funds for the C&D landfill are included in the 2003, 2004 and 2005 Budgets. The Bulky Waste and Neighborhood Cleanup programs are also funded from C&D landfill revenues. Funding for these programs is \$250,000 per year.

Citizens benefit from the C&D operation in two ways: City tax increases or service reductions are not necessary to cover the cost of waste disposal and continue the neighborhood cleanup programs. Additionally, the C&D landfill is open to the public, allowing citizens a low-cost waste disposal alternative to the transfer stations. Business and industry can also save money, to the extent their waste streams are construction and demolition waste.

The City is also reducing the volume of waste flowing into the landfill. A materials crusher, planned for purchase in 2003, will reduce the volume of wood waste by about 60 percent. In addition, wood waste will be processed and made available for re-use. City park projects, landscaping projects and golf courses can use the wood mulch produced by the materials crusher. Additionally, the mulch will be made available to contractors on City capital improvement projects, reducing project landscape costs. Any material not used for landscaping will be stored and composted.

The **Landfill Post Closure Fund** is the City's savings account that will finance the environmental and maintenance expenses of Brooks Landfill for 30 years after closure, through 2031. Post closure landfill expenses include closed cell maintenance, groundwater monitoring to detect contaminants, operation and maintenance of the air sparging system (installed to address previously discovered contamination) and monitoring of the gas collection system.

Annually, revenue from landfill operations has been transferred to the Landfill Post Closure Fund. Additional revenue is interest earnings on the fund balance. Now that the landfill is closed, revenue to the Landfill Post Closure Fund will be limited to interest. The fund balance is projected to be at least \$28.4 million at 2003 year-end, and is projected to be sufficient to fund maintenance and monitoring activities. Certification to

KDHE requires the City to be able to fund up to \$27.75 million for landfill post closure costs.

**The Storm Water Utility** constructs, reconstructs and maintains the City's storm water drainage system, including storm sewers, catch basins, streams and drainage-ways. The utility is also required to ensure the City's compliance with water quality provisions of the National Pollutant Discharge Elimination System (NPDES) permit.

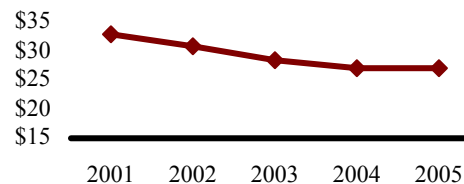
Storm Water maintenance crews clean and maintain 400 miles of storm sewers, 15,000 catch basins and 130 miles of drainage ditches annually. Storm sewers are cleaned and televised to assess condition and repair needs. Catch basins are cleaned and repairs made when needed. Erosion repairs are made to drainage ditches and banks are stabilized as required. A private vendor provides contractual mowing of ditches and drains.

The Storm Water Utility operates and maintains six pump stations that move excess water in times of heavy rains or flooding. As additional pump stations are constructed in conjunction with the East Kellogg improvements, additional maintenance resources will become necessary.

**Cost of Neighborhood Programs**

	2003	2004	2005
Bulky Waste Program	125,000	125,000	125,000
Neighborhood Cleanup	125,000	125,000	125,000
Total	250,000	250,000	250,000

**Landfill Post Closure Fund Balance**



*This construction site incorporates Best Management Practices (BMPs). The barriers allow water to drain, but prevent silt from flowing into the storm drainage system and ultimately into the streams and rivers.*

The Utility is responsible for the design and construction of drainage projects approved in the Capital Improvement Program. The Utility also investigates drainage concerns from citizens and determines possible solutions. The "Hot Spots" neighborhood drainage budget increased from \$605,000 to \$725,000 in 2002, expediting the solution of neighborhood drainage problems. To the greatest extent possible, Utility staff seek to integrate neighborhood solutions with systemic solutions, to further increase the impact of Hot Spot funds.

Selected Storm Water Major Service Levels				
	2001	2002	2003	2004
Miles of storm sewers cleaned	138	241	150	150
Inlets cleaned	68,457	58,807	50,000	50,000
Manholes and inlets repaired	216	167	250	250

Storm Water Utility Financial Summary of Operations \$ in Thousands				
	2002	2003	2004	2005
Revenues	5,808	5,905	5,838	6,104
Expenditures	5,079	6,091	8,099	6,504
Budgeted income (loss)	728	(186)	(2,261)	(400)
Fund balance	2,852	2,667	405	5

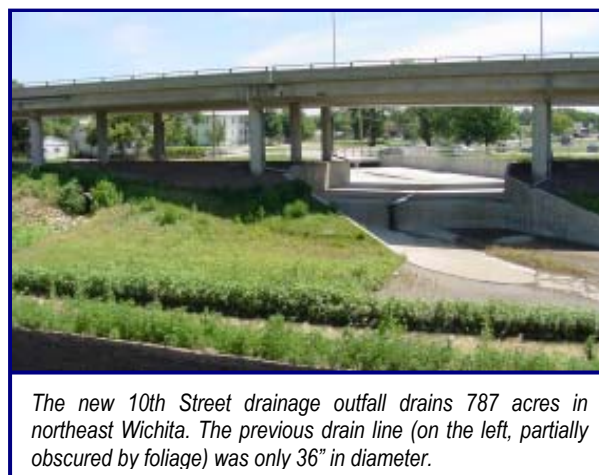
Storm Water Utility operations are funded with fees paid by property owners in the City. The fee is determined by the number of equivalent residential units (ERU) on a property. One ERU is the average amount of impervious area (rooftops and pavement) for a typical residence. The fee for all single-family dwellings is based on one ERU. Businesses and industrial site fees are based on the number of ERUs (amount of impervious area) on the property. The current ERU rate is \$1.40.

Included in the 2003 and 2004 budgets is the cessation of the General Fund subsidy to the Utility. The \$514,500 annual subsidy was to be phased over three years at the rate of \$171,500 each year in 2003, 2004 and 2005. The revenue would be recovered by the Utility through a five cent annual increase in the ERU. In 2003, the subsidy was reduced by \$171,500 and the ERU increased to \$1.40. In 2004, the subsidy is reduced to \$0. Currently the ERU is scheduled to increase to \$1.45 in 2004 and \$1.50 in 2005.

Construction sites in the City are monitored by the Utility to ensure compliance with the Storm Water Pollution Prevention Ordinance. All sites must use Best Management Practices to minimize the erosion sediment and chemicals entering the drainage system, which ultimately end up in streams and rivers. To ensure compliance, industrial sites in the City are also monitored to ensure compliance with water samples and tests to show trends in amounts and types of pollutants present.

Departments that work or make inspections in and around the drainage system assist with enforcement of the ordinance. The Utility provides education and coordination with cooperating departments including Police, Fire, Central Inspection, Public Works, Park and Environmental Health.

Capital projects recently completed include enlarging the Drainage Canal from 10<sup>th</sup> to 17<sup>th</sup> Streets and enlarging the drainage structure at 9<sup>th</sup> Street and Interstate I-135. Projects currently underway include urban stream restoration of Gypsum Creek in southeast Wichita, designing channel modifications in Cowskin Creek, and developing a Cowskin Creek Basin master drainage plan. Finally, the 2002 budget included \$750,000 for design work on the 1st and 2nd Street West Drainage Outfall to provide drainage to West Street from Maple to Central and areas adjacent to 1st and 2nd Streets from West Street to the Arkansas River. Construction of the 1<sup>st</sup>/2<sup>nd</sup> Street West Outfall is expected to begin in 2004.



*The new 10th Street drainage outfall drains 787 acres in northeast Wichita. The previous drain line (on the left, partially obscured by foliage) was only 36" in diameter.*

Storm Water Management also includes **City/County Flood Control**, which is responsible for inspecting, operating and maintaining the Wichita-Valley Center Flood Control Project in accordance with standards established by the Corps of Engineers. The Wichita-Valley Center Flood Control Project was a joint undertaking of the U.S. Army Corps of Engineers, Sedgwick County and the City of Wichita, and was completed in 1960. The project includes the "Big Ditch" and the Big and Little Arkansas Rivers from Valley Center to Derby. Included are 41 miles of channels, 97 miles of levees, 60 interior drainage structures and a total area of 5,613 acres.

The floodway is maintained by the Storm Water Utility and is funded equally by the City of Wichita and Sedgwick County. Maintenance includes mowing, cleaning drainage structures, removing debris from around bridges and other structures, grading levees and roadways, erosion repair, bank stabilization, spraying for noxious weeds and repair of fences and gates. Mowing alone requires four positions plus tractors and mowing equipment. As time and supplies permit, Flood Control staff are also channelizing the floodway, which should contain normal flows and limit erosion damage in the future.





*Above, the Wichita Drainage Canal in an unimproved state.*



*The Drainage Canal after being lined and enlarged. The outfall on the left is the 3rd Street Drainage/Greenway project, completed in 2000. The volume of water in the channel is approximately equal in the two pictures.*

**Fleet Maintenance** consists of three sections: Fleet Maintenance, Central Stores, and Central Maintenance Facility (CMF). Beginning in 2002, the Fleet and Buildings Division was broken into two separate operations. A Fleet Maintenance Services Director directs and oversees the newly formed division.

Fleet Maintenance is responsible for the operation and maintenance of 1,897 automobiles, light trucks, heavy trucks, and heavy equipment used by City departments, but does not provide vehicles or service for Wichita Transit's large buses or Airport equipment. Internal customers pay rent on vehicles and equipment to offset the operation, maintenance, and future replacement costs. Services include preventive maintenance, repairs, tire service, mobile service, fueling, overhauls, towing, body shop, machine shop modifications, and major mechanical repairs. Repairs to electrical components, cooling systems and tires for heavy equipment are contracted to outside vendors. Major repairs for specialized heavy equipment are managed contractually with local businesses.

Central Stores procures and maintains an inventory of parts and supplies for Fleet Maintenance and other City departments. Sales to City departments average approximately \$1.25 million annually, consisting of over 6,000 unique items stored in small inventories and purchased on a just-in-time basis. Central Stores is also responsible for collecting and disposing of used chemicals, lubricants, metals and tires.

Streamlining the Stores operation is an ongoing task, with dual goals of improving service delivery to field operations and reducing the cost of service provision to the City organization. Much of the benefit comes from conversion from warehousing to a just-in-time (JIT) inventory operation. More contracts will be put into place to ensure the lowest price and highest availability of materials for operations, and contracts will include provisions for delivery and vendor warehousing. By allowing vendors to store materials and keeping smaller inventories at the CMF, the City freed up space previously consumed by warehousing operations.

Fire Fleet Maintenance operations merged with the City's fleet maintenance operations in 2002. Although Fire Fleet Maintenance currently operates from a separate facility, inventory management, financial management and supervision is now coordinated through the Fleet Division. The former warehouse space at the CMF is being converted to house Fire Fleet Maintenance operations. The budget includes \$500,000 in 2003 and \$290,000 in 2004 for facility modifications. Planned changes will improve the old warehouse space by allowing drive through traffic, improving overhead lighting, installing a floor drain (for the water tanks in the fire apparatus) and installing electrical, air, and hydraulic lines. Parking and pavement improvements at the CMF will largely offset the additional traffic created by the consolidation of Fleet functions. Once completed, all current Fleet division operations will be housed in one area at the Central Maintenance Facility, further improving inventory management and also allowing more sharing of human and physical resources, such as tools and equipment between the fire operation and other fleet functions.

The majority of vehicle work is performed at the Central Maintenance Facility. Vehicles are also serviced in garages at the Northeast and West Public Works Substations. The CMF budget includes funds for the operation and maintenance of the complex, which houses Fleet Maintenance, Public Works Maintenance and Engineering, Flood Control, Storm Water Utility and Sewer Maintenance. Services include utilities, custodial services and building repairs.

The budget includes safety equipment and inspections to ensure a safe and secure work environment at the garages. Three new vehicle lifts were added in 2001, and additional inspections of shop heavy equipment were funded. The inspection activities led to replacement of the overhead crane and electrical system improvements in 2002.

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As part of the reductions required to balance the 2003 budget, a Fleet Rate reduction is included. The final two months of 2003 fleet charges will not be assessed to City operations whose capital replacements are funded through the Fleet budget, resulting in a General Fund savings of over \$1 million. To mitigate the impact to the Fleet Fund, capital outlay is reduced on a one-time basis by \$1 million in 2003. In 2004 and 2005, the capital replacement budget continues to increase by \$50,000 per year (cumulative), in response to a 2001 external study which called for significant increases in fleet capital investments. Finally, \$1 million for the purchase of a replacement fleet management information system is included in the 2003 budget. Sufficient fund balance exists to allow the replacement from current resources without rate adjustments.

Type of Vehicle	Fleet Size
Police patrol cars	189
Light pick-up trucks	207
Sedans	218
Heavy equipment/large trucks	481
Tractors	98
Vans	131

Fleet Financial Summary of Operations				
\$ in Thousands				
	2002	2003	2004	2005
Revenues	10,325	9,508	10,523	10,683
Expenditures	9,631	14,912	11,034	10,900
Budgeted income (loss)	694	(5,404)	(511)	(217)
Fund balance	6,133	729	218	1

Selected Fleet Maintenance Performance Measures				
	2001	2002	2003	2004
Maintenance cost per mile	\$0.18	\$0.19	\$0.20	\$0.20
Fuel cost per mile	\$0.10	\$0.11	\$0.16	\$0.16

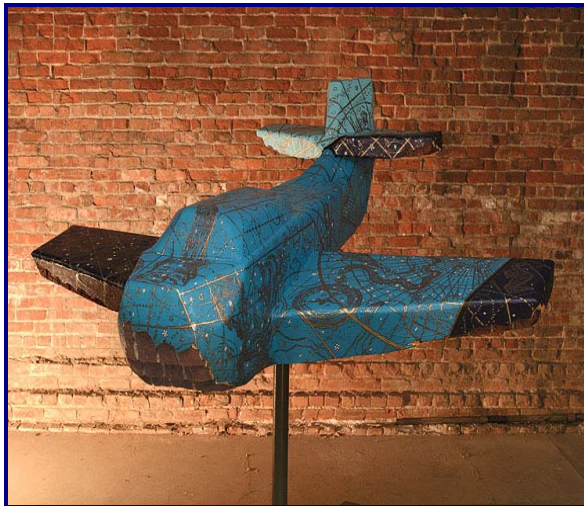
Additionally, the Transit fleet operation is under review for possible functional consolidation with other fleet maintenance functions. The Airport fleet operation is not yet being considered for functional consolidation due to the numerous Federal Aviation Administration restrictions on Airport fleet equipment location and movement.

Public Works Budget Summary					
	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	16,578,365	17,806,300	17,963,400	18,753,390	19,390,520
Contractual Services	21,173,911	26,483,950	20,308,310	20,478,350	20,349,280
Commodities	4,665,671	5,713,650	5,992,430	5,869,430	5,968,450
Capital Outlay	3,250,630	3,389,840	2,860,880	3,102,920	3,519,720
Other	8,793,149	6,012,020	6,288,150	5,408,370	5,733,720
<b>Total Local Expenditures</b>	<b>54,461,726</b>	<b>59,405,760</b>	<b>53,413,170</b>	<b>53,612,460</b>	<b>54,961,690</b>
General Fund Expenditures	8,278,024	9,168,550	9,157,450	9,444,390	9,867,770
Gas Tax Expenditures	19,758,399	21,194,690	20,335,070	20,839,070	21,880,960
Enhanced Building Maintenance	1,200,000	0	0	0	0
State Office Building	1,063,072	1,281,430	1,279,640	1,283,210	1,188,040
Fleet Internal Service Fund	9,631,009	10,531,440	10,987,310	11,244,220	11,199,870
Landfill Operations	3,174,465	1,116,460	1,634,940	677,040	679,500
Landfill Post Closure	4,901,294	8,601,380	2,524,660	1,732,880	1,902,910
Storm Water Utility	5,079,477	6,021,570	6,087,960	6,904,270	6,688,660
City-County Flood Control	1,375,986	1,490,240	1,406,140	1,487,380	1,553,980
<b>Total Local Expenditures</b>	<b>54,461,726</b>	<b>59,405,760</b>	<b>53,413,170</b>	<b>53,612,460</b>	<b>54,961,690</b>
Total full-time positions	454	447	453	453	453
Total part-time positions	46	46	49	49	49
Total FTE positions	475.33	468.33	476.08	476.08	476.08



## CELEBRATING 100 YEARS OF FLIGHT

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### “Old town Glider”

**Artist:** Steve Murillo  
**Where:** Hotel at Old Town  
830 E. 1<sup>st</sup> Street  
(1<sup>st</sup> Street & Mosley)  
**Sponsor:** Marketplace Properties  
**Benefits:** Merchants of Old Town  
Association

### “Wichita Aerographics”

**Artist:** Marc Bosworth  
**Where:** Exploration Place  
300 N. McLean Blvd.  
(2<sup>nd</sup> St. & McLean Blvd.)  
**Sponsor:** Greater Wichita Convention  
& Visitors Bureau (GWCVB)  
**Benefits:** GWCVB





## Highlights

- ✓ More food handler classes were instructed in 2002 compare to 2001: a 491 percent increase in special sessions and 41 percent increase in regular sessions.
- ✓ A reduction of \$100,000 from the additional amount of nuisance abatement starting in 2003.
- ✓ The Adopted budget includes the elimination of the Environmental Services Supervisor position and the contingency for mowing and lot clean ups.
- ✓ Implementation of fee increased for several programs is included to offset increasing operating expenses.

The core purpose of the Department of Environmental Health is to provide for a safe environment by enforcing environmental standards in the City of Wichita and the unincorporated areas of Sedgwick County.

### Overview

In a collaborative effort to more closely align similar services and clients, the City of Wichita and Sedgwick County shifted Preventive Health Services under the umbrella of County administration, while the City of Wichita retained the administration of Environmental Health beginning with fiscal 2002. The Environmental Health Department, previously a division of the former consolidated Community Health Department, remains a component in the overall City/County health program.

The Department is responsible for air quality control, water quality control, animal control, environmental code enforcement, food protection and tobacco control and licensure of childcare facilities. The Department also administers the groundwater remediation efforts of Gilbert & Mosley and the North Industrial Corridor, both funded through tax increment financing districts.

### Finance and Operations

The General Fund finances Environmental Health along with program revenue and grant support from the Community Development Block Grant, the Environmental Protection Agency and from the State of Kansas. Program budgets are maintained for those services provided exclusively within the City limits and those that are provided throughout the County, which are included in the City-County funding formula.

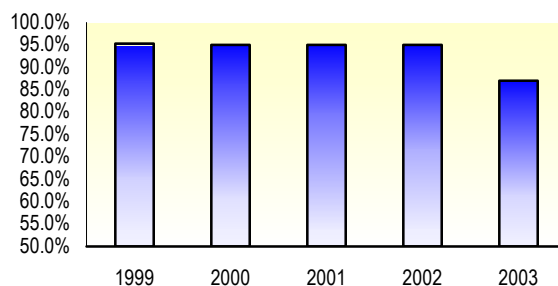
**Code Enforcement.** Code Enforcement division includes several programs: the Food Protection program, Pool Inspection Program, the Tobacco Sales Enforcement.

**Food Protection Program.** The Food Protection Program provides regulatory oversight, consultative services and educational support for food establishments in Wichita and Sedgwick County. Inspections of food service establishment

are partially funded under a contract with KDHE. In 2002, the Department conducted 3,043 inspections of area food service facilities.

Food service inspection services and food handlers' classes are offered by the Health Department under contract with KDHE. A 2001 KDHE approved increase in fees for inspection and licensing of food service provides funding for an additional food inspector beginning in 2002 to assist with inspecting a total of 3,043 food service establishments in Sedgwick County. The additional inspector has improved the cost recovery and helped ensure that area citizens continue to be protected from food-borne pathogens and illnesses. In 2002, the inspectors held 5,189 food handlers regular sessions, an increase of 41 percent compared to 3,685 regular sessions held in 2001.

Food Establishments with "A" Rating



**Pool Inspection Program.** Environmental Health conducts inspections of more than 250 swimming pools and spas in the City, enforcing health and safety standards including pH and chlorine levels, water clarity, and the presence of safety equipment. Staff performs more than 1,000 swimming pool and spa inspections per year at licensed pool/spa facilities.

**Tobacco Sales Enforcement.** Tobacco vendors operating within the City of Wichita are periodically checked by the

Health Department to ensure licensing requirements are met. Volunteers are used for undercover tobacco sales compliance checks. In 2002, the City conducted 144 checks and had an 85.2 percent compliance rate, which compares favorably to the prior year compliance rate of 81 percent. Health Department staff also conduct a program to educate youth in the community about the negative consequences of smoking.

**Child Care Licensing.** The City contracts with the State of Kansas to provide child care licensure services in Sedgwick County. Funded with local tax dollars, licensure fees, and a grant from the State of Kansas, a staff of eight educate, inspect, and license providers making on average, 280 field visits monthly. Orientation and continuing education programs are offered free of charge to assist providers with maintaining a safe and enriching environment for the children.

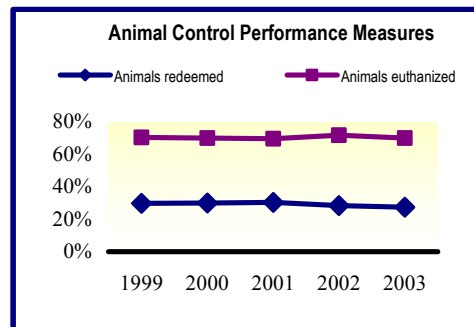
*Picture: Child care staff provide instruction and assistance to help area child care providers meet licensing requirements.*



**Animal Control.** The Animal Control section provides field activities and operates the Wichita Animal Shelter. Striving to keep dangerous or rabid animals off of the streets. Animal Control Officers respond to citizen calls to pick up stray animals, issue summons for leash law violations, remove dead animals, transport injured animals for emergency treatment and investigate cruelty complaints in the City. In addition, officers investigate all animal bites in Sedgwick County and quarantine animals suspected of having rabies.

The Wichita Animal Shelter is the holding facility for all animals received from the City of Wichita, including stray animals held for a three-day redemption period, quarantined rabies suspect animals and unwanted pets turned over by the public. Shelter services are provided under contract for animal control programs operated by Sedgwick County and for other area cities.

A pet adoption program is offered which requires a pre-payment for spaying and neutering. Responsible pet ownership is promoted with a public education program, including an internet-based pet adoption program that enables interested citizens to see pictures and get information about animals available for adoption.





Selected Service Levels - Water Quality				
	2000	2001	2002	2003
Private well inspections	1,718	2,138	2,308	2,400
On-site sewage sytem inspections	325	109	78	100
Wells/Septics real estate evaluations	719	856	1,043	1,100
Private water analyzed	1,465	1,628	1,426	1,550
Plats or subdivisions reviewed for MAPC	41	41	4	10

Selected Service Levels - Air Quality				
	2000	2001	2002	2003
Ambient (outdoor) air samples	2,158	2,400	2,288	2,450
Air toxicity samples	28	25	30	30
Investigations of ambient (outdoor) air toxicity	39	27	25	30
Investigations of indoor air toxicity	238	217	175	230
Investigations for asbestos	221	159	86	100
Permitted industrial air pollution inspections	164	178	184	200
Hazardous Material responses	105	104	124	124

**Environmental Assessment and Remediation.** Environmental Assessment and Remediation consists of air and water quality programs, and assessment of sites for environmental contaminants, as well as the remediation of contaminated sites. Assisted with federal and state grants, both water and air quality are monitored and preventive and remedial actions

initiated. Staff also manages the groundwater remediation efforts in the Gilbert and Mosley and North Industrial Corridor Tax Increment Financing Districts.

In 2003 EPA funding for the Ark River Water quality study and Brownsfield investigations will cease. The Ark River study assesses the water in the lower Arkansas River focusing on pollution sources that diminish the quality of the water and the impact upon the river and its users. Ultimately, as a result of the study, preventive measures will be developed to improve the quality of the river water for the benefit of future generations. The Brownsfield funds are utilized to conduct environmental assessments to determine the presence or absence of environmental pollutants in abandoned or under-utilized industrial and commercial sites where expansion or redevelopment is complicated by real or perceived environmental contamination.

The Water Quality staff inspects placement and construction of water wells and septic/sewage systems to ensure the safety of the water supply. In 2002, Water Quality staff conducted 2,308 private well inspections, analyzed 1,426 water samples, processed 110 septic system applications, and inspected 256 septic systems and waste water disposal systems. In addition, the staff review subdivision plats and provide evaluations of water and septic systems for loan evaluations. Water quality activities are supported with State funds as well as local tax dollars and user fees which have been increased to reflect staff costs.

Air Quality staff monitor ambient air 24 hours per day from eight sites for various air quality parameters. In 2002, the staff conducted 175 indoor air quality investigations, responded to 124 hazardous material incidents, conducted 86 asbestos

investigations and inspected 184 permitted operations. Air quality activities are financed with State grants and local tax dollars.

Environmental Assessment and Remediation staff responded to 887 requests for public information, sampled water from 67 monitoring wells, sampled water from 20 surface sites and drilled 30 test holes. In addition, the staff review and process applications for release from liability from groundwater contamination in the Gilbert and Mosley and North Industrial Corridor. Managing the investigation and remediation of the contaminated sites is a primary responsibility of Assessment and Remediation staff.

**Environmental Maintenance Code Enforcement.** The Environmental Maintenance Code Enforcement section investigates and resolves premise condition complaints involving neighborhood blight, safety or public health issues. In 2002, 7,757 public complaints were received for premise conditions and an additional 2,126 public complaints were received for tall grass or weeds. The staff directly initiated an additional 2,884 cases. The field staff was successful in having 2,280 junk vehicles removed and in bringing 6,641 properties into compliance. In 2002, of the properties brought into compliance, the City cleaned or mowed 1,667 of those properties, which is a 67 percent increased compare to 941 properties that were done in 2001. The City continues to seek reimbursement for the cost from the property owners. Violations are resolved through voluntary compliance or referral to a private contractor for abatement or environmental court action.

## CITY OF WICHITA

Beginning in 2001, the City Council has authorized increased funding for neighborhood cleanup and abatement of nuisance code violations. The Council action emphasized abatement and cleanup with less reliance on court-ordered remedies. An additional \$125,000 in 2002, \$235,000 in 2003, and \$455,000 in 2004 has been included for increased lot mowing and clean-up activity. Starting in 2003, \$100,000 will be reduced from the additional amount due to the budget constraint. The Joint Nuisance Code was enacted to develop a team concept for improved enforcement cooperation between Health, OCl and Police. Staff is undergoing a reorganization plan which will delete the Environmental Services Supervisor position.

The following program fees have been increased and/or added between 2002 and 2003 to offset the on-going increasing operating expenses: Food Establishments, Solid Waste Collectors, Animal Shelter Services, Dog Owner License, Domestic Animal Maintenance, Animal Redemption, Environmental Site Assessment, Private Water Supply or On-site Sewage Disposal System Evaluation, Private Water Well Sampling.

Selected Service Levels - Lot Mowing and Cleanup					
	2000	2001	2002	2003	2004
Lots mowed	964	772	1,237	1,500	1,500
Lots cleaned	173	169	430	500	500

Selected Service Levels - Nuisance Abatement					
	2000	2001	2002	2003	2004
Public premise condition complaints	9,201	7,856	7,757	4,500	3,000
Public complaints of tall grass/weeds	1,662	1,262	2,126	1,000	500
Staff-initiated premise conditions	1,133	979	1,067	1,200	1,200
Staff initiated tall grass-weed cases	1,799	1,965	1,817	1,900	1,900

Environmental Health Department Budget Summary					
	2002	2003	2003	2004	2005
	Actual	Adopted	Revised	Adopted	Approved
Personal Services	2,213,258	2,513,710	2,289,780	2,388,830	2,461,340
Contractual Services	747,130	846,920	687,710	923,110	923,150
Commodities	49,946	56,700	56,210	56,550	56,580
Capital Outlay	31,861	4,810	2,810	2,920	3,000
Other	85,740	179,840	94,100	1,850	0
<b>Total Health Expenditures</b>	<b>3,127,935</b>	<b>3,601,980</b>	<b>3,130,610</b>	<b>3,373,260</b>	<b>3,444,070</b>
Local Resources	3,127,935	3,601,980	3,130,610	3,373,260	3,444,070
Grant Resources	862,463	1,371,180	1,402,810	877,860	887,000
<b>Total Health Resources</b>	<b>3,990,398</b>	<b>4,973,160</b>	<b>4,533,420</b>	<b>4,251,120</b>	<b>4,331,070</b>
Total full-time positions	64	65	64	64	64
Total part-time positions	3	3	3	3	3
Total FTE	65.5	66.5	65.5	65.5	65.5

## Highlights

- ✓ Increased funding is included for technology to reduce operating costs and increase customer service.
- ✓ Funding is included for the Comprehensive Plan development and publication that Kansas regulations and Federal regulations require be updated every five years.
- ✓ One position in the Current Plans division is eliminated in the 2003 Revised budget.

The mission of the Metropolitan Area Planning Department (MAPD) is to provide information and professional advice for the orderly, efficient and attractive development and redevelopment of land in Wichita and Sedgwick County.

### Overview

The MAPD serves as a clearinghouse for development-related data for the City of Wichita and Sedgwick County. The MAPD makes recommendations on development applications and issues to the Metropolitan Area Planning Commission, the City Council, the County Commission and various boards and commissions. The MAPD holds workshops and hearings to facilitate citizen involvement in the planning process, and publishes periodic reports on topics such as population growth and development trends.

The Department consists of four divisions. The Administration Division is responsible for leadership and department management, overseeing the department budget, monitoring federal and state transportation grants and recording minutes of several advisory boards. Current Plans administers zoning and subdivision regulations, processes development applications ensuring orderly development of land in a manner that minimizes the cost of providing public services while ensuring that public safety and health concerns are addressed and maintains the values and quality of life of surrounding properties. Current Plans maintains the official maps reflecting platting, zoning and rights-of-way. Land Use and Research division provides research and policy analysis on community development issues for elected and appointed officials. The division also supports the development and implementation of the Comprehensive Plan and neighborhood planning initiatives. Transportation Planning provides research and policy analysis on transportation related issues, develops and maintains the transportation element of the Comprehensive Plan, and assists in securing available State and Federal transportation funds. Partially funded with grants, the Division is the channel through which Federal and State transportation grants are coordinated.

Located within MAPD, but grant funded, is one Senior Planner dedicated to historic preservation. Responsibilities include design review for building alterations in and around historic districts, advertisement of a low-interest loan program and community education.



*Eaton Hotel and Tower - Historic Eaton block preserved through public-private partnership.*

### Finance and Operations

The interlocal agreement provides that MAPD be funded 50 percent by the City of Wichita and 50 percent by Sedgwick County, with grants supporting Transportation Planning and Historic Preservation. In addition to 50 percent of the cash funding, the City also provided in kind services in amount of \$281,500 in 2002. The department generates revenue from items such as subdivision plats, rezoning fees, and the sale of maps and planning publications.

#### Summary of Revenue Sources

##### \$ In Thousands

	2001	2002	2003	2004	2005
Historic Preservation grants	77	79	88	83	83
Planning grants	542	605	622	592	592
Program revenue	238	281	249	255	269
Sedgwick County	556	592	614	657	679
City of Wichita	556	593	614	657	679
<b>Total Revenue</b>	<b>1,969</b>	<b>2,150</b>	<b>2,187</b>	<b>2,244</b>	<b>2,302</b>

Revenues continue with a declining trend, despite a continued demand for more sophisticated services. The dual fee structure contributes to a smaller and unequal cost recovery structure for citizens and businesses using planning services.

The 2003 Revised budget continues to invest in technology to provide more convenient and more efficient services without additional staff. Per Council action in June 2003, the Wireless Study consultant fee is also included in 2003 budget. In 2000, MapWise became available. This provided computerized desktop access to zoning maps, making the maps far more accessible than the paper versions. In 2003 MapWise access was expanded. Though current maps are available on the desktop, numerous maps and documents currently stored on paper are routinely drawn from archives. The 2003 budget includes a large-surface scanner to convert historical maps to an electronic format. Conversion of paper maps to electronic format will offer an enhanced service to developers, facilitating e-mailing of maps, saving mailing costs, printing costs and long-term staff time. In 2003, one support position in the Current Plans division was eliminated.

Kansas law requires that the City of Wichita and Sedgwick County adopt and review annually a Comprehensive Plan, and by Federal law, to prepare a major update of the plan every five years. Work on the Comprehensive Plan will be ongoing in 2003, including public forums for early and meaningful citizen input. Funds for public hearings, legal notices, and publication are included in the 2003 and 2004 budgets. The adopted Comprehensive Plan will be published in 2004.

Selected Service Levels					
	2000	2001	2002	2003	2004
Annexation requests	16	24	18	25	25
Unilateral annexations	8	5	2	2	1
Small city annexations	4	6	5	15	10
Annexation staff hours	1,677	647	321	500	450

## City-County Planning Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	1,237,277	1,393,920	1,186,490	1,316,550	1,375,570
Contractual Services	212,509	232,850	260,980	234,470	234,470
Commodities	16,431	17,400	17,400	17,580	17,580
Capital Outlay	0	12,600	12,600	0	0
<b>Total Fund Expenditures</b>	<b>1,466,217</b>	<b>1,656,770</b>	<b>1,477,470</b>	<b>1,568,600</b>	<b>1,627,620</b>
Less: Sedgwick Co. contribution	(591,820)	(717,170)	(614,190)	(656,600)	(679,510)
Other revenue	(281,496)	(247,560)	(249,090)	(255,400)	(268,600)
<b>Net Planning Fund Expenditures</b>	<b>592,901</b>	<b>692,040</b>	<b>614,190</b>	<b>656,600</b>	<b>679,510</b>
Grant Resources	684,032	709,650	709,650	675,160	675,160
Local Resources	1,466,217	1,656,770	1,477,470	1,568,600	1,627,620
<b>Total Planning Resources</b>	<b>2,150,249</b>	<b>2,366,420</b>	<b>2,187,120</b>	<b>2,243,760</b>	<b>2,302,780</b>
Full-time positions	29	29	28	28	28
Part-time positions	3	4	4	4	4
<b>Total FTE positions</b>	<b>29.45</b>	<b>29.95</b>	<b>28.95</b>	<b>28.95</b>	<b>28.95</b>



## HIGHLIGHTS

- ✓ Computerized scheduling has been added for maximum efficiency in Special Services.
- ✓ Electronic fareboxes will be implemented late in 2003 to improve collection of ridership data, improve accuracy of fare collections and provide increased customer convenience in fare options.
- ✓ Funding is provided for para-transit van replacement.
- ✓ Route changes are planned and will help control operating and overtime costs, optimize operating revenues, and increase the department's eligibility for grant funding.

The core mission of Wichita Transit is to provide a reliable and economical public transportation system to the community.

### Overview

Wichita Transit operates 51 buses on 16 fixed routes and 15 para-transit vans that provide service to physically challenged individuals on a curb-to-curb basis. Service is provided from six a.m. to seven p.m. Monday through Friday, and seven a.m. to six p.m. on Saturday.

To complement that service, six para-transit vans are leased to local social service agencies for dedicated client transport. Employment-related transportation is coordinated for qualifying clients referred by social service agencies with service from six a.m. to two a.m., 20 hours per day, seven days a week.

Transit also operates a fleet of five trolleys that provide transportation for the Wichita Historical Tours and are available for private charter.

The downtown Transit Center functions as the base for transfers and most direct customer services. Administration and maintenance services are provided from the Transportation Operations Center, completed in 1999.

### Finance and Operations

Operating resources are from fares, trolley charter revenue, advertising, General Fund subsidies and state and federal grants. Total resources reflect fluctuations in state and federal revenues as a result of intermittent capital investments for vans, buses, and technology.

Plans continue for sustainable service enhancements utilizing technology for more cost efficient services. Grant funding is currently being directed to capital improvements such as electronic fareboxes, new para-transit vans, scheduling software applications, automatic vehicle locator applications, bus shelters and bus stops for easier wheel chair access, all of which will guide the Department toward future growth and efficiencies.

The fund balance has grown over the last several years. However, it will decline with capital purchases. The planned investments will be funded 80 percent by the Federal Transit Administration (FTA), state funds have been reserved from the annual allocation for a portion of the local match, and the balance of the 20 percent match will be drawn from the accumulated fund balance. The fund balance will decline until the capital investments are complete in 2003, at which time the fund balance is projected to stabilize.

Prior to 2003, the City received over \$9 million in federal capital grants. These grants allowed the entire Transit fleet to be modernized. Federal capital grants in the future will be direct to Automated Vehicle Locator (AVL) systems. In addition, it is anticipated the new electronic farebox equipment will boost revenues.

Operating revenues in the Transit Fund are projected to remain relatively stable, growing from modest increases in ridership. Expenditures continue to rise more rapidly than revenues, increasing the need for more cost effective and cost efficient services. Efforts are being intensified to maximize use of grant funding, setting aside some state funds as part of the 20 percent federal grant match requirement for capital purchases. Cost savings are anticipated with a new bus fleet and technological aids to better plan and manage the operations.



*A complete fleet of new buses will provide fixed – route service to the community.*

**Special Service** rides for mobility-impaired citizens have grown in excess of 10 percent annually over the last six years, but leveled off in 2002. Transit provided more than 187,033 para-transit rides, 82,283 of which were special curb-to-curb rides provided directly by Transit employees. Complementing the para-transit service is the Access To Jobs service, which provides employment related transportation for qualifying low-income citizens. Many citizens qualify for both para-transit and employment related service. Combined, Transit Special Services supplied 287,439 rides in 2002.

Employment related transportation for qualifying citizens is provided in partnership with local social service agencies. Beginning in late 2000, transportation for qualifying clients was coordinated nearly around the clock for seven days per week. Ridership demand in this area has continued to grow. Assisted with FTA grant funding, the jobs access program provided 100,406 rides in 2002, an increase of nearly 9 percent over 2001 levels.

The majority of para-transit rides are purchased from independent operators and social service agencies. Purchased rides are less costly to the City because costs are shared across agencies and the overall capacity of all providers is utilized more efficiently. Six agencies provide service with vans leased from the City for the added benefit of priority service to their own clients. Special para-transit ridership is projected to continue to grow at double-digit rates.

Transit staff consists of 24 van drivers, four clerks, and two program coordinators. One van driver was added in 2002 to assist with growing demand during peak periods. One additional clerk was also added in 2002 to assist with processing and renewal of FTA required documentation that qualifies riders for para-transit service. Currently the department operates a total of 14 van routes that provide curb-to-curb service compared to 16 fixed bus routes.



*New Para-transit software will improve the service delivery of Special Services employees.*

**Fixed Route Service** provided 1.9 million rides in 2002, down 11 percent from the 2.1 million rides given in 2001. Economic factors contributed most significantly to the decline in ridership. Under the current service mix, ridership is projected to resume slow growth.

Driver and increasing fuel expenses are the primary costs associated with operations. Bus operations are financed totally from local funds and represent over half of total operating costs.

Key to improving performance is an aggressive safety program and diligent monitoring of light duty assignments to reduce workers' compensation costs which have risen sharply. Also key to improved cost efficiencies is maintaining full employment and controlling overtime utilization. The additional compensated holidays as components of labor agreements, the impact of the Family Medical Leave Act, and increased service have increased the overtime usage. The 2004 budget includes some route changes to achieve optimum use of available grant funding, and removes two of the four additional bus operators originally added, to control overtime bus operations.

**Maintenance** includes all costs associated with maintaining the fleet of buses, vans and trolleys, the bus shelters, in addition to the Transit Center; and the Transit Operations Center.



*A full complement of new para-transit vans has arrived, bringing increased comfort to Wichita's disabled citizens.*

Currently two porters fuel and clean the vehicles while the cleaning and maintenance of shelters is provided through contracted services. Priority has been given to operational enhancements, such as fareboxes and scheduling software. An additional porter was added in 2002 to improve the experience of citizens and visitors taking advantage of public transportation services. Vehicle maintenance costs are projected to continue to decline with the pending purchase of new para-transit vans to complement the fleet of 39 new buses.

**The Trolley** operation began in 1993 and consists of a fleet of five 20-seat trolleys. The trolley provides transportation for many community events, hosts the Historic Wichita Tour, and is available for charter. Trolley operations are self-supporting, however capital investments are subsidized. Demand for Historical Tours fell by 30 percent in 2002, after being popular during the past three seasons. Advertising revenue, relied upon as a significant funding source, has declined dramatically over that time frame. Advertising revenue from 1999-2001 generated \$56,950 in revenue. Advertising revenue declined in 2002 to \$15,000. Without a firm advertising commitment, the fund will have trouble maintaining an adequate balance to support current program offerings.

Charters continue to be largest source of revenue with charter rates adjusted upward for 2003. The rate increase will generate an additional \$3,000 per year. To counter increases in operating costs, several additional steps were taken early in 2003. Two older trolleys were sold by auction in an effort to raise needed cash, leaving the current fleet of five trolleys. Maintenance and operating expenses should continue to decline with the disposal of the older vehicles. Account receivables were reduced and a new policy was put in place for advance payment for charters. Finally, the Saturday service to the Farm & Art Market building was terminated, which became a critical drain on the fund balance.

The Trolley Fund has sufficient cash to operate in 2004. In the absence of another major funding source, the fund will not operate on a breakeven basis, and will continue to decline in 2004.

<b>Transit Budget Summary</b>					
	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2003 Revised</b>	<b>2004 Adopted</b>	<b>2005 Approved</b>
Personal Services	2,871,141	3,442,090	3,226,450	3,407,730	3,566,830
Contractuals	739,366	769,440	782,940	841,310	841,580
Commodities	548,594	490,560	494,720	497,670	497,670
Capital Outlay	0	0	0	0	0
Other	698,915	615,160	688,910	636,960	634,440
<b>Total Local Expenditures</b>	<b>4,858,016</b>	<b>5,317,250</b>	<b>5,193,020</b>	<b>5,383,670</b>	<b>5,540,520</b>
Trolley Fund Expenditures	109,587	140,410	140,180	141,360	142,240
Transit Fund Expenditures	4,748,429	5,176,840	5,052,840	5,242,310	5,398,280
<b>Total Local Expenditures</b>	<b>4,858,016</b>	<b>5,317,250</b>	<b>5,193,020</b>	<b>5,383,670</b>	<b>5,540,520</b>
State Operating Grants	<b>889,173</b>	<b>579,330</b>	<b>285,050</b>	<b>293,600</b>	<b>302,410</b>
Federal Operating Grants	<b>2,611,199</b>	<b>2,694,510</b>	<b>3,407,858</b>	<b>3,487,090</b>	<b>3,589,310</b>
Total Full-time positions	124	129	126	126	126
Total part-time positions	2	2	2	2	2
Total FTE positions	123	128	125	125	125



## CELEBRATING 100 YEARS OF FLIGHT

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### “Lightning and Thunderbird”

**Artist:** Greg Johnson  
**Where:** Rusty Eck Ford  
7310 E. Kellogg (Kellogg & Armour)  
**Sponsor:** Hillcrest Bank  
**Benefits:** Inter-Faith Ministries Map

### “Taxi”

**Artist:** Leo Kust  
**Where:** Mid-Continent Airport  
1600 Airport Road  
**Sponsor:** Department of Airport -  
City of Wichita  
**Benefits:** Art Council Youth Programming



### “Mustang Pilot’s License”

**Artist:** Dan Welty  
**Where:** Mel Hambelton Ford  
11771 W. Kellogg  
(119<sup>th</sup> St. & Kellogg)  
**Sponsor:** Mel Hambelton Ford  
**Benefits:** Make A Wish Foundation



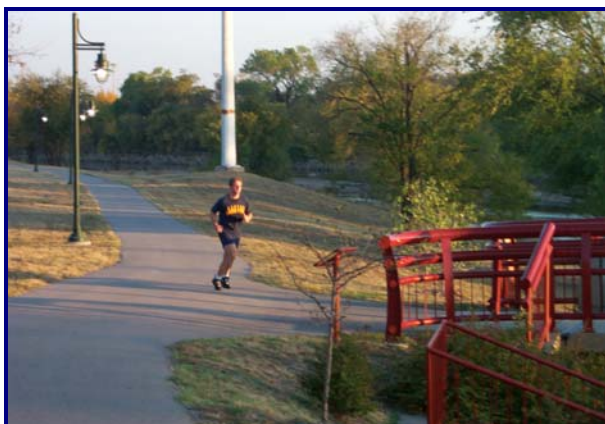
## Highlights

- ✓ Nearly \$4 million is budgeted annually for recreation programs, serving youth and adults.
- ✓ Nine full time positions and \$579,320 has been shifted from Park to Public Works. This move consolidates equipment maintenance and building maintenance functions within Public Works.
- ✓ The Maintenance Initiative, initially included in the 2003 Adopted budget, has been removed. A consultant report has indicated that Park resources are currently adequate to manage assigned maintenance responsibilities.

Park exists to provide a cost-effective system of safe and attractive parks and recreation land, facilities and programs that enhance the beautification of the City; provide for the leisure time pursuits of all Wichita residents and visitors; and promote appreciation of the City's environmental resources.

## Overview

The Park Department provides recreational opportunities, maintains landscaping at City parks, facilities, and along right-of-ways, is responsible for maintaining the urban forest, and operates a number of cultural and performing arts facilities. The Department supports over 4,500 acres of parks and greenways, 3.8 million square feet of medians, ten recreation centers, 12 swimming pools, an art center, and numerous youth-based activities and athletics programs.



*Park staff maintain over 38 miles of bike paths and jogging trails, including this path in Sim Park near Cow Town.*

Botanica, Century II, Expo Hall, City-Arts, the Historical Museum, and the Wichita Boathouse are facilities operated by the Park Department. Century II and Expo Hall provide an attractive venue for entertainment and conventions. Botanica is a beautiful botanical garden located in Sim Park, near the Arkansas River. The Boathouse is a popular meeting and reception facility. Educational opportunities in the respective fields of Wichita/Sedgwick County history are provided through the Historical Museum. The City-Arts facility provided arts enrichment for both area youth and adults.

## Finance and Operations

The Park Department is funded entirely from the General Fund. However, the costs of five divisions: Recreation, City-Arts, Century II, Expo Hall, and the Wichita Boathouse – are partially offset by revenue derived from rentals, reimbursements and fees. In 2003, these revenues are budgeted to total \$5.2 million, or nearly one third of Park expenditures.

Organizationally, Park is organized around Recreation and Maintenance Divisions, each lead by a Superintendent. Maintenance is charged with carrying out a comprehensive tree planting, maintenance and removal program and maintaining the landscaping of City parks, right of ways and other facilities. The Recreation Division coordinates all recreational programming, from adult sports to the youth-targeted Summer of Discovery program. Community facilities, including Century II, Expo Hall and the Boathouse are managed by the Century II Director.

The **Administration** Division is responsible for the leadership, management and direction of the department. The division provides, among other duties, financial planning and reporting, budgeting, payroll support and capital project initiation and development. Monthly meetings of the Park Board, which is advisory in nature, are also support by Administration staff.

The **Maintenance** Division is responsible for a variety of functions, including tree planting, tree trimming, reforestation, park and right of way mowing, and ball field maintenance. An important function is the pruning and removal of trees located in public areas. Annually, around 10,000 trees are pruned using a systematic neighborhood pruning method. The Division is also responsible for removing dead or diseased trees. During severe storms, staff are tasked with assisting in debris removal,

### Selected Service Level Measures - Forestry

	2000	2001	2002	2003	2004
Trees planted	2,375	3,192	2,172	2,600	2,600
Trees removed	2,375	4,637	3,950	2,000	2,000
Trees pruned	10,431	15,455	20,955	18,000	18,000

particularly tree debris. In 2002, due to several severe storms, over 1,600 tons of wood waste debris was removed from City right-of-ways. With the purchase of a new material crusher,



the ecological and cost effective disposal of this wood waste will be possible in the future.



*Park's Forestry staff utilize a block pruning method to efficiently maintain the urban forest. Annually, nearly 20,000 trees are pruned, and over 2,300 new trees are planted*

The City engages in an aggressive reforestation effort, spearheaded by this Division. Annually, over 2,300 trees are planted along thoroughfares, in parks, and in public areas. Each year since 1986, these efforts have helped Wichita earn the designation of "Tree City, USA."

The City has invested heavily in landscaping freeway corridors, including West Kellogg, K-96 in northeast Wichita, and Kellogg and Oliver in east Wichita. The areas, which contribute to the general aesthetic appeal of Wichita to both residents and visitors, include plantings and trees that are maintained by this division.



*Park has spent nearly \$2 million to improve playground areas in recent years. This play area in Osage Park features new equipment and a new, safer, rubberized surface.*

In addition to over 4,500 acres of parkland, there are 72 playground areas in neighborhood parks. The Maintenance Division inspects and maintains the playground equipment to

ensure public safety. To facilitate the removal of old, unsafe equipment and its replacement with new, safer equipment that meets current national safety standards, nearly \$2 million has been invested in improved play equipment areas in the past few years.

This Division performs right-of-way mowing and maintenance activities and has the responsibility of maintaining the downtown area, including Old Town, the Douglas Streetscape, the East Bank area, and the Museum District. Staff maintain a variety of statues, monuments, and memorials located on Park grounds. Due to Wichita's recent growth, two additional maintenance crews were added in 2002.

Staff is also charged with maintaining signs, fencing, picnic tables, and a variety of other items in and around the City's parks and recreational facilities. The Division maintains the City's network of over 38 miles of bike paths and jogging trails.

The 2003 budget incorporates a consolidation in some maintenance functions between Park and Public Works. Small engine and equipment mechanics were shifted to Public Work's Fleet Division, to consolidate these mechanics with other City equipment maintenance staff. In addition, maintenance staff in Park, including electricians and plumbers, were shifted to the Public Works Building Maintenance Division, again to consolidate these employees with other similar City maintenance staff.

The **Recreation** Division operates ten neighborhood recreation centers, twelve swimming pools, two sports complexes, and offers a variety of athletic programs and leagues for youth and adults. The Recreation Division budget is nearly \$4 million in 2003, with costs partially offset by user fees and rentals. In 2003, revenues are projected to total \$1.9 million. Cost recovery of recreational activities varies with the type of activity. Swimming pools have recovered nearly 60 percent of their direct costs, while recreation centers have recovered only 30 percent of direct expenses.

**Recreation Cost Recovery Percentages**

	2000	2001	2002	2003	2004
Recreation Centers	35.0%	31.0%	27.5%	28.8%	28.8%
Swimming Pools	47.4%	58.0%	56.7%	53.6%	53.6%

Recreation staff provides athletic programs year-round in a variety of sports. Outdoor sports, including baseball, softball, soccer and football, are offered at many different well maintained facilities, including the new South Lakes and Northeast Sports Complexes, West Side Athletic Field, Planeview Park and others. Staff is responsible for organizing more than 90 leagues, with over 200 teams annually, collecting fees, scheduling games, and maintaining the fields. In the near future, leagues will be expanded at the developing Northeast Sports Complex, enhancing league activities for Wichitans.



*Youth soccer leagues are programmed at South Lakes Park, in south Wichita. Athletic leagues are programmed in softball, baseball, football and soccer.*

The Recreation Division manages and operates Summer of Discovery, a ten-week summer program for children ages 6 to 12. The licensed program is available to all children, regardless of income, with enrollment fees charged on an ability-to-pay basis. Annually, more than 1,000 children enjoyed educational and entertaining activities such as boating and water safety, science and nature, sports camps, magic shows, movies, swimming and more.

Additional programming is provided through ten community recreation centers. The facilities host a variety of classes for all ages, including gymnastics, aerobics, dance, cooking, judo and others. In addition, the recreational facilities offer rooms to rent for meetings or parties. Golden Age Clubs are also active at several recreation centers, with dances, dinners, trips and other activities held for active community seniors.



*McAdams pool is one of 12 operated by the Park Department, with pools located in each quadrant of the City.*

At the 119-acre Watson Park in south Wichita, paddle boating, fishing, pony rides, train tours, miniature golf and concessions are all available. Near the downtown area, the recently renovated Ralph Wulz Riverside Tennis Center offers 14 lighted tennis courts on a year-round basis. Lessons are available from an on-site tennis professional, and the Center's pro shop maintains a supply of racquets, balls, and other supplies. A BMX bike track is located in Emery Park in south Wichita, while a bridle path for equestrians is available at Pawnee Prairie Park in west Wichita. Herman Hill and Oak Park each contain a disk golf course.

During the summer, the Division operates 12 swimming pools located throughout the City. The pools offer reasonably priced recreational swimming and swimming lessons. Swim teams formed at each pool are also popular activities for youth, as the teams practice and ultimately compete annually in a citywide swim meet.

The Department contributes staff to the Great Plains Nature Center, an interactive educational facility staffed by local, State and Federal personnel. The facility, located at the 282-acre Chisholm Creek Park in north Wichita, serves as the base for the "Wichita Wild" program, providing citizens with opportunities to experience wildlife and to learn about native plants and animals. Nature trails and wildlife viewing areas are both available at the park.

The City also participates in a partnership to support **Botanica**, the Wichita Gardens. Dedicated in 1987, Botanica is a partnership between the City of Wichita and Botanica, Inc. In the past, the City had provided an annual operating subsidy of \$250,000 for salary support, basic insurance coverage, and building maintenance support. However, for 2003, the subsidy was reduced by 7%, to \$232,500 annually.

Selected Service Level Measures - Botanica					
	2000	2001	2002	2003	2004
Annual visitors (thousands)	135	143	107	110	115
Private dollars raised (thousands of dollars)	760.5	800.0	708.8	674.7	700.0

The privately incorporated Botanica, Inc, provides additional operating funding and coordinates volunteer support. Botanica is the premier botanical garden in the Great Plains region. Visitors can view over 300 varieties of roses in the rose garden, as well as many different plants and flowers both native to Kansas and new to the area throughout the many gardens. Botanica is located in the heart of Wichita's Museum District and is adjacent to Cowtown, the Wichita Art Museum and Sim Park Golf Course.

## CITY OF WICHITA

**CityArts** is the City's cultural arts center. Opened to the public in 1998, CityArts provides art classes for all ages at its downtown location. Currently located on the East Bank, the facility will be moving to a new location in Old Town in the future. The primary emphasis of CityArts is engaging

beginners and children in the arts. CityArts offers classes in pottery, sculpture, silversmithing, woodworking, painting, weaving, and other arts. CityArts also has the responsibility for overseeing the care and maintenance of public art and sculptures, an activity for which \$50,000 has been included in the budget. This division has been coordinating the annual Aviation Festival and is responsible for managing the Farm and Art Market Plaza and other Old Town Plazas.



*The Wichita Boathouse in downtown is a favorite venue to banquets and receptions. Located across the street from the Century II / Expo Hall complex, the boathouse features the International America's Cup yacht the Jayhawk.*

The **Century II/Expo Hall** complex in the East Bank area is Wichita's premier venue for entertainment, conventions, trade shows, and meetings. In 2002, the venue hosted twenty state

conventions, eight regional/national conventions, and four trade shows. Century II/Expo Hall experienced an attendance of 734,255 people at various consumer shows, cultural events, entertainment events, and meetings.

The **Wichita Boathouse**, donated to the City in 1998, offers meeting, banquet, and reception facilities for rent. The Boathouse is home to the City's Visitor Information Center and the grounds feature a replica of an America's Cup-winning sailboat. The facility continues to be popular with both out-of-town visitors and Wichitans, hosting a wide array of meetings, banquets, and receptions. Highly utilized for wedding receptions, the venue has also hosted international gatherings of corporate executives. Upgrades to the catering kitchen have facilitated growth in banquet and reception business.

The **Wichita/Sedgwick County Historical Museum**, provides documentation of life in Wichita as it has developed over the decades. The Museum is housed in the old City Hall building. This building, known in its day as the Palace on the Plains, was constructed in 1982 and served as Wichita City Hall until 1977. The building was provided to the Historical Society shortly thereafter.

In the past, the City has funded a portion of the salary and benefits for the museum's director, along with insurance and utilities. Private funding provides additional resources for housing the collection. The City allocation for the Museum is decreased 7% in 2003, and the City now contributes an operating subsidy in lieu of funding the director's position.

### Park Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	11,353,087	11,752,190	9,474,410	9,836,390	10,131,810
Contractual Services	4,083,076	4,386,680	5,870,630	6,003,800	6,004,560
Commodities	705,054	764,770	667,260	682,000	681,730
Capital Outlay	36,510	71,570	13,400	98,900	50,900
Other	42,748	416,540	49,200	99,200	99,200
<b>Total Park Expenditures</b>	<b>16,217,474</b>	<b>17,391,750</b>	<b>16,074,900</b>	<b>16,720,290</b>	<b>16,968,200</b>
<b>General Fund</b>	<b>16,217,474</b>	<b>17,391,750</b>	<b>16,074,900</b>	<b>16,720,290</b>	<b>16,968,200</b>
Total full-time positions	226	226	213	213	213
Total part-time positions	669	802	666	666	666
Total FTE positions	416.75	407.25	401.5	401.5	401.5



## Highlights

- ✓ The City assumes responsibility for Highland Park Cemetery and Jamesburg Cemetery in the early 1980's
- ✓ The assets of the Cemetery Trust Fund serve as an endowment to fund annual maintenance on the cemeteries.

The Cemeteries Trust Fund's purpose is to provide resources for the management and maintenance of Highland Park and Jamesburg cemeteries.

## Overview

The Cemeteries Trust Fund is a self-sustaining fund supported by the sale of interment and monument permits. Grave openings are coordinated through the Finance Department, while cemetery management and maintenance is coordinated through the Park Department.

In 1983, the City voluntarily took over the ownership of Highland Park cemetery from Wichita Cemetery Company. Highland Park is the earliest Sedgwick County cemetery of record. The first burial was that of Albert Lewellen (age 5) in 1870, the same year the frontier town of Wichita was incorporated.

Highland Park cemetery, initially known as City Cemetery, is located in near east Wichita, at the northwest corner of 9th Street and Hillside. However, when opened, the Cemetery occupied a plot several miles from the borders of the new city of Wichita. Early Wichitian James R Mead noted in his memoirs that early Wichita residents could look with comfort east towards the bluffs outside of town, knowing that this beautiful spot was the resting place of friends and family.

Today, approximately 17,000 people are buried at Highland Park Cemetery. In addition to four Kansas governors, perhaps the most nationally recognized individual buried at Highland Park is Buffalo Bill Mathewson, the original Buffalo Bill. The final resting place of prominent early Wichitan, Louise Murdock, benefactor of the Wichita Art Museum, is also located in the cemetery.

From 1873 to 1880, what is currently Jamesburg Cemetery was a post office in the small village by the same name. Jamesburg cemetery was taken over by the City a few years after the Highland Park became a City property.

## Finance and Operations

In addition to revenue from the sale of interment and monument permits, the Cemeteries Trust Fund accumulates a portion of its annual income from interest earnings on the fund's investment assets. The interest earnings typically allow revenues to outpace expenditures on a year-to-year basis, adding to the fund's balance and providing resources for capital improvements at each of the cemeteries, as needed.

### Notables interned at Highland Park Cemetery

Sidney Toler – Mr. Toler made his first Hollywood feature film in 1929 and would appear in 82 films in his career. In 1938, he took on the role of Charlie Chan, starring in 22 such films. Mr. Toler died on February 12, 1947.

James Masterson - Younger brother to legendary gunfighter turned sportswriter Bat Masterson, Mr. Masterson moved with his family from New York to Wichita in 1876. He died twenty years later.

William Mathewson - Known as the original Buffalo Bill, Mr. Mathewson was a trader, scout and lawman. He earned his nickname during the winter drought of 1860, in which he hunted buffalo so that starving settlers could survive. An associate of Kit Carson, Mr. Mathewson was known and respected by Indian friends and foes alike as Sillpah Simpah, or "Long Breaded Dangerous Man."

## Cemeteries Trust Fund Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
<b>Cemeteries Trust Revenue</b>	<b>36,652</b>	<b>37,710</b>	<b>37,710</b>	<b>35,710</b>	<b>35,710</b>
Contractual Services	26,956	28,400	28,400	28,400	28,400
Commodities	0	1,000	1,000	1,000	1,000
<b>Total Local Expenditures</b>	<b>26,956</b>	<b>29,400</b>	<b>29,400</b>	<b>29,400</b>	<b>29,400</b>
<b>Cemeteries Trust Fund Balance</b>	<b>798,785</b>	<b>797,298</b>	<b>805,095</b>	<b>811,405</b>	<b>817,715</b>





## CELEBRATING 100 YEARS OF FLIGHT

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### **"American Airloons"**

**Artist:** Kristi & Fred Bruns,  
Sharon Revell

**Where:** Hyatt Regency Wichita  
400 W. Waterman

**Sponsor:** Ritchie Corporation

**Benefits:** Wichita Community  
Foundation Ritchie  
Corp. Donation Fund

### **"A Lure of Wichita"**

**Artist:** Randall Kust

**Where:** 345 Riverview  
(Central & Riverview)

**Sponsor:** Law/Kingdon, Inc. Architects  
& Engineers

**Benefits:** Wichita Center for the Arts



## Highlights

- ✓ Projected future rate increases are 3 percent annually in both the Water Utility and Sewer Utility. The use of temporary note financing to spread out bonded debt issuance is the primary reason for the continued low projection.
- ✓ The operational phase of the Aquifer Storage and Recovery (ASR) project is included in the budget beginning in 2003.
- ✓ The new Northwest Sewage Treatment Plant (STP #3) opened in early 2003.
- ✓ Plant siting studies are underway for three new satellite sewage treatment plants and an additional water production plant. Design on the Mid-Continent Sewage Treatment Plant is expected to begin once a suitable site has been identified.
- ✓ The Department management is reorganized with a new Assistant Director overseeing the System Planning and Development, Water Distribution, and Sewer Maintenance functions.

The Water and Sewer Department exists to provide quality, reliable, customer-convenient water and sewer service to the citizens of Wichita and all other Utility customers.

## Overview

The Water and Sewer Department supplies and distributes high quality water, and collects and treats wastewater for the City of Wichita and areas surrounding Wichita which are part of the Water and Sewer Utilities. Services provided include pumping and purifying water, maintaining the water distribution and wastewater collection systems, treating wastewater and planning for future needs.

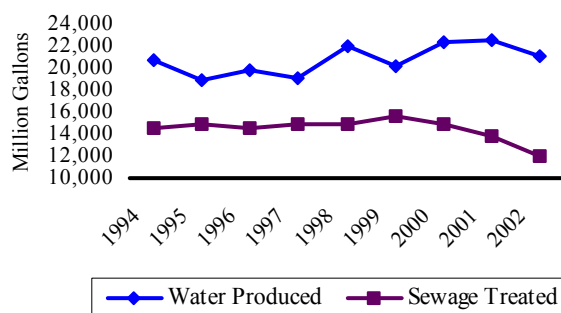
The Water Utility produces, treats, and distributes approximately 20 billion gallons of water per year on average for its customers. Due to the hot, dry summer of 2002, the Utility delivered 21.5 billion gallons of water to customers. The Sewer Utility collects and treats approximately 15 billion gallons per year from its customers. Service levels and water consumption in particular, are driven primarily by system growth rates as well as weather conditions that affect consumption patterns. Despite the large volume of water produced and sewage treated, the Water & Sewer Utilities consistently exceed environmental regulations, often before such regulations are put into effect. This proactive approach assists in planning and helps to ensure that Utility customers receive excellent service value.

Extensive capital improvement planning ensures the Water and Sewer Utilities will continue to provide high quality water production and distribution and sewage collection and treatment well into the future. Currently the City has a Water Supply Plan in place to support growth and development through 2050. Additional sewerage facilities are also planned, to respond to increasing needs and to continue to meet or exceed environmental regulations.



*The water treatment plant at Sim Park.*

### Water & Sewer Service History



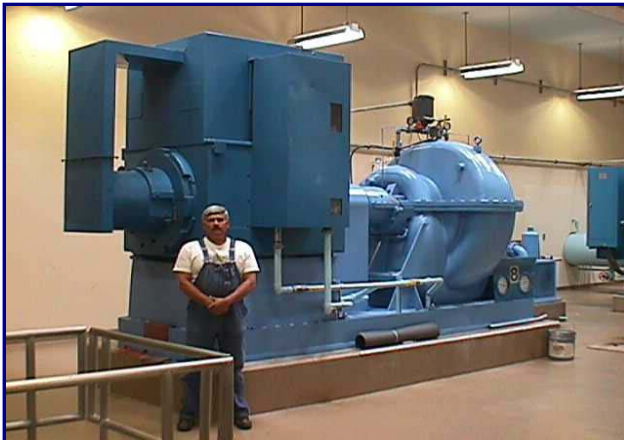
### Selected Operations Performance Measures

	Per 1,000 gallons				
	2001	2002	2003	2003	2004
Water treatment cost	0.29	0.32	0.31	0.31	0.31
Sewer treatment cost	0.54	0.67	0.60	0.41	0.58

## Finance and Operations

The **Production and Pumping Division** procures, treats and pumps water from Cheney Reservoir and the City's local supply wells near Halstead. This activity ensures that adequate water supply and pressure is available to citizens when needed. Costs associated with the collection, treatment and pumping of water, including electricity, chemical costs and infrastructure improvements, represent the largest single category of operations and maintenance expenditures in the Water Utility budget.

In accordance with State law and the comprehensive Water Supply Plan, the Utility has sought to reduce the amount of water required from groundwater sources (wells) in an attempt to minimize impacts on groundwater levels. In addition, the Utility is implementing the Aquifer Storage and Recovery (ASR) project, designed to withdraw excess rainfall from the Little Arkansas River during periods of wet weather. The water drawn from the river is then treated and injected into the aquifer to partially offset Utility withdrawals from the well field groundwater supply.



*Water is delivered under pressure to citizens, thanks to dedicated staff and equipment investments such as this 2,000 horsepower pump at Hess Pump Station. This pump alone handles approximately 30,000 gallons of water per minute.*

The ASR project will be implemented from 2002 to 2010, and will double the amount of infrastructure in the well field. The first phase, currently being implemented, adds 17 wells, three recharge basins, 11 miles of power lines, and nine miles of water lines. Additional staffing and equipment to operate and maintain these facilities are included in the budget beginning in 2003. Additional staff and equipment will be required in 2005 and 2007 as more wells, basins, power lines, and water lines are placed into service.

Selected Maintenance Performance Measures Per 1,000 Line Miles					
	2000	2001	2002	2003	2004
Water main breaks	600	573	369	375	350
Sewer stoppages	215	154	184	180	175

The **Customer Service Division** is the primary public contact point for the Utilities. Customer Service staff read water meters and manage the billing and collection for over \$65 million in annual Utility revenues. Storm Water Utility revenues are also collected by Customer Service staff.

An integrated Call Center is included in the budget. The Call Center will streamline public contact with the Utility, allowing all callers with water service or billing issues to call one number. The Call Center will also streamline departmental operations by consolidating record keeping from three locations to one. Finally, information in the customer service (billing) system will be linked with data in the asset management system, so that departmental operations and engineering staff will have access to the most up-to-date customer and maintenance information. This significant increase in customer service will be accomplished without adding any personnel.

Recently, the Water Utility has completed pilot tests of a relatively new technology - Automated Meter Reading (AMR). This technology allows meters to be read electronically from a distance, enabling them to be read much faster, more efficiently and with fewer errors. The 2003, 2004 and 2005 budgets include funding to continue the conversion to AMR by providing for the system's installation on all new metered services requested. As the technology continues to improve and the percentage of AMR-equipped meters increases throughout the City, meter reading errors and costs will be dramatically reduced. In the current budget cycle, AMR will allow the system to continue to expand without hiring additional meter readers, while reducing overtime for current employees. In the future, AMR will allow the Customer Service Division to serve a larger customer base with fewer employees.

The **Water Distribution Division** maintains over 1,500 miles of water mains, 28,000 valves, 8,000 fire hydrants, and 150,000 water service lines and meter sets. Over 1,200 main and service line leaks are repaired every year. An ongoing preventive maintenance and inspection effort is underway to prevent leaks and breaks before they occur and require more expensive repair or reconstruction.



The recommended Water Distribution budget includes additional funds for increased levels of pavement cuts due to line breaks and for additional contractual installation of new services, which are offset by additional revenues.

Water Distribution is moving to new and newly remodeled facilities in 2003. The main Distribution facility is being relocated from Sim Park (Museum) Drive to the City's Central Maintenance Facility (CMF) campus, centralizing most City maintenance operations in one location. Work crews are also being distributed to the West and Northeast substations, which will require increased coordination within the division but will reduce travel times for repair crews.

**Sewage Treatment Division** staff operates and maintains the treatment plants, five odor control injection sites and 61 lift stations. Wastewater entering the sanitary sewer system receives primary treatment at Sewage Treatment Plant #1 (constructed in 1931) and secondary treatment at Plant #2 (constructed in 1960). The City recently acquired the Sedgwick County Sewer District collection and treatment system, including the Four Mile Creek facility. This addition will ensure more efficient and cost-effective sewer service for customers throughout the region. The Northwest Sewage Treatment Plant (Plant #3) opened in early 2003. Now that the new plant is open, a major upgrade and automation project will begin at Four Mile Creek. When completed, both Four Mile Creek and Plant #3 will be able to operate with very little human interaction due to the high degree of automation. Only three employees were added for the operation and maintenance of Plant #3, one to supervise plant operations, one for grounds maintenance and a third to transport sludge from the new facility to the biosolids processing facilities at Plant #2.

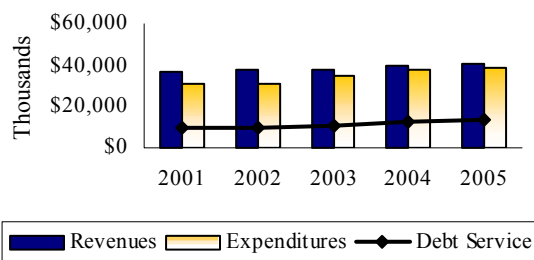
The Sewer Utility was recently given a National Pre-treatment Excellence Award for its Industrial Pre-treatment Program. This award is given to pre-treatment programs that have achieved superior industrial compliance levels with wastewater discharge regulations and have implemented innovative processes within the program. Some of the mechanisms used include a comprehensive inspection program, a biological monitoring program, a combined storm water and industrial monitoring program, and participation in public education events like the Pre-treatment Workshop and Boeing Earth Day Fair.

**Sewer Maintenance Division** staff are responsible for cleaning and maintaining approximately 1,450 miles of sanitary sewer laterals, mains, interceptors and manholes.



*The new Plant #3, also referred to as Cowskin Creek Water Reclamation Facility opened in January of 2003. The Plant has been praised for its innovation and the City has won awards for the development of this project.*

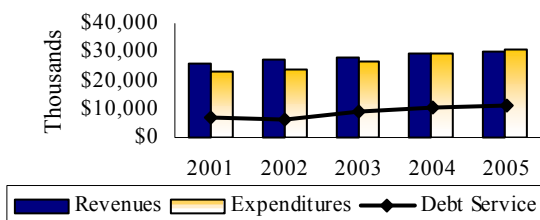
## Water Utility Operations



## Combined Water & Sewer Financial Summary \$ in Thousands

	2002	2003	2004
Water Sales Revenue	36,515	36,721	37,725
Sewer Sales Revenue	27,314	27,331	28,467
Interest	1,223	2,000	2,300
Revenue - All Sources	65,052	66,052	68,492

## Sewer Utility Operations





The aim of this activity is to prevent tree roots and other intrusions from blocking or damaging the system and to minimize inflow and infiltration from other sources that increase the volume of sewage reaching the plants, increasing the overall cost of treatment. This preventive maintenance program increases Utility efficiency by addressing problems before they occur, thereby eliminating the need for more expensive maintenance or repair.

Utility operating budgets reflect additions for deferred vehicle replacements, debt service requirements, and projected increases in bad debt costs caused by delays in the configuration of the Utilities' new billing system. The Sewer Utility budget also reflects additional operations and maintenance costs associated with the Four Mile Creek facilities. In the Water Utility, continued allowances have been made in the budget to account for sales tax.

The Water and Sewer utilities are facing capital costs in the coming years for refurbishment of existing infrastructure, and expansion of infrastructure to accommodate urban growth. Debt service is the largest single variable affecting the rate structure of each utility. Rate change recommendations are three percent annually in each Utility, as shown in the accompanying table.



*There are major developments under way to modernize the water quality facilities. Here construction workers are redeveloping the Four-Mile Creek Plant. Four-Mile is undergoing almost \$6 million in renovations and reconstruction to better serve the public.*

Projects, such as the Water Supply Plan, construction of the Northwest Sewage Treatment Plant (Plant #3), and required improvements to the recently acquired Sedgwick County sewer system (Four-Mile Creek), represent sound utility planning to support long-term growth and development.

Funding these projects, however, will result in short-term financial impacts in terms of urgency to increase rates. The City's utilities are facing an "intergenerational equity" issue with current utility customers bearing a disparate share of the costs associated with financing these major capital improvements that will also benefit future utility customers.

Annual Water & Sewer Rate Increases Projected for 2003-2005				
	2002	2003	2004	2005
Water Rate Increases	3%	3%	3%	3%
Sewer Rate Increases	3%	3%	3%	3%

Bonded Debt Service Coverage Ratio (must equal or exceed 120%)				
	2002	2003	2004	2005
Water Coverage Ratio	186%	177%	173%	175%
Sewer Coverage Ratio	157%	133%	113%	104%

2002 Water Rate Structure Cost per thousand gallons		
	Inside-City Rate	Outside-City Rate
Block 1 (0-110% AWC)	\$0.67	\$1.04
Block 2 (111-310% AWC)	\$2.41	\$3.76
Block 3 (above 310% AWC)	\$3.63	\$5.66

The years 2001, 2002 and 2003 were peak times in the Water and Sewer Capital Improvement Programs. The Water Supply Plan, relocation of the Water Distribution facility, and construction of Sewage Treatment Plant #3 required significant outlays from the utility funds. This leads to increased pressure on rates; however, reduced capital expenditures in 2004 and beyond indicate that the best course may be to delay some bonded debt issuance until CIP financing becomes more moderate in later years. This requires the use of temporary notes as interim financing during and immediately following construction to maintain positive cash flow until bonds are issued.

The budget recommendation assumes an issuance of notes for both utilities in 2003 to be renewed for four years. After that time, regular 20-year revenue bonds could be issued. Due to issues including intergenerational equity and useful project life, some projects will be paid for with 25 year bonds. This reduces annual debt service costs and more equitably spreads the cost of projects with 40 to 50 year useful life. Actual issuance date for the bonds and length of time notes are required will depend on a variety of factors including market conditions and progress with the capital projects.

Any future rate changes will be subject to review and approval by the City Council.

Because of sound fiscal management and planning for future capacity and financing needs, the Water and Sewer Utilities are in a solid financial position. This leads to a higher bond rating given by financial institutions evaluating utility bonds. A higher bond rating reduces overall debt service costs by reducing the interest rate at which debt can be issued in any given year. Part of this financial strategy involves partial financing of capital improvements through cash reserves, which further reduces the cost of improvements by eliminating bond issuance and interest costs.

Revenue bond covenants require that after operating and maintenance expenses, net annual revenues must equal at least 120 percent of the annual debt service payments for principal and interest. This is the bonded debt coverage ratio. A higher ratio provides a cushion against fluctuations in utility revenues, which can be significant given the impact of weather changes on utility revenues.

Bond rating agencies and the bond market typically rate utilities as superior if the bond coverage ratio is relatively high. Although recent capital expenses have been significant, and the Sewer Utility ratio is expected to fall below the 120 percent threshold, the combined Water and Sewer ratio will stay above 120 percent through the planning period.

Water rates are based on a customer's average winter consumption (AWC), which is defined as the mean monthly consumption calculated during the months of December, January, February and March. The AWC is calculated in April and is used as the basis for billings in the following twelve months. The minimum monthly AWC for any metered service on a meter sized at one inch or less is 6,000 gallons. In addition, a minimum monthly charge is assessed for all customers regardless of consumption. The water rate increases as consumption moves up from one block to the next. The AWC rate structure is designed to encourage conservation by imposing a penalty on excessive water usage.

**Water Utility Fund Budget Summary**

	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2003 Revised</b>	<b>2004 Adopted</b>	<b>2005 Approved</b>
<b>Water Fund Revenue</b>	<b>37,442,714</b>	<b>37,216,110</b>	<b>37,921,410</b>	<b>39,225,420</b>	<b>40,223,420</b>
Personal Services	7,060,512	7,155,550	7,018,130	7,164,910	7,418,760
Contractual Services	5,386,099	6,561,680	6,873,920	6,836,070	6,640,780
Commodities	2,630,726	2,173,410	2,061,210	2,080,380	2,106,380
Capital Outlay	3,019,091	2,979,850	2,937,560	3,162,790	3,162,850
Other	12,854,492	16,440,630	16,415,680	18,746,600	19,592,820
<b>Total Water Fund Expenditures</b>	<b>30,950,920</b>	<b>35,311,120</b>	<b>35,306,500</b>	<b>37,990,750</b>	<b>38,921,590</b>
Revenue Over (Under) Expenditures	6,491,794	1,904,990	2,614,910	1,234,670	1,301,830
<b>Transfer to (from) Reserves</b>	<b>6,491,794</b>	<b>1,904,990</b>	<b>2,614,910</b>	<b>1,234,670</b>	<b>1,301,830</b>
Total full-time positions	182	184	183	183	183
Total part-time positions	37	36	36	36	36
Total FTE positions	205.75	207.00	206.25	206.25	206.25

**Sewer Utility Fund Budget Summary**

	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2003 Revised</b>	<b>2004 Adopted</b>	<b>2005 Approved</b>
<b>Sewer Fund Revenue</b>	<b>27,609,070</b>	<b>30,120,000</b>	<b>28,130,600</b>	<b>29,266,600</b>	<b>30,441,600</b>
Personal Services	7,811,930	8,448,190	8,209,060	8,495,670	8,785,610
Contractual Services	4,362,456	4,720,380	4,308,860	4,343,770	4,344,970
Commodities	2,221,512	2,312,840	2,222,320	2,204,170	2,204,170
Capital Outlay	1,006,061	1,107,990	1,035,180	847,850	1,214,840
Other	8,430,444	9,511,410	11,022,570	13,316,910	14,263,110
<b>Total Sewer Fund Expenditures</b>	<b>23,832,403</b>	<b>26,100,810</b>	<b>26,797,990</b>	<b>29,208,370</b>	<b>30,812,700</b>
Revenue Over (Under) Expenditures	3,776,667	4,019,190	1,332,610	58,230	(338,500)
<b>Transfer to (from) Reserves</b>	<b>3,776,667</b>	<b>4,019,190</b>	<b>1,332,610</b>	<b>58,230</b>	<b>(338,500)</b>
Total full-time positions	151	155	155	157	157
Total part-time positions	2	2	2	2	2
Total FTE positions	152.00	156.00	156.00	158.00	158.00

## Highlights

- ✓ Airport security was enhanced with the addition of 15 security officers in 2002 and additional contractual employees. Security costs can fluctuate based on the TSA threat level designation.
- ✓ The addition of Air Tran, Frontier and Allegiant Air service to Wichita has dramatically increased passenger traffic at the Airport and lowered air fare costs. The addition of low fare carriers has saved local consumers an estimated \$50 million in the past two years.
- ✓ Data processing functions at the Airport have been fully integrated with City operations, increasing support levels and efficiency.

The mission of the Airport is to develop the airport system on a self-sustaining and fiscally sound basis; and to maintain, develop and enhance capital investments in the City of Wichita's airport facilities.

### Overview

Airport facilities include Wichita Mid-Continent Airport and Colonel James Jabara Airport. Mid-Continent, a commercial service airport that will celebrate its 50<sup>th</sup> year next year, handles well over one million passengers per year. Seventeen airlines offer non-stop service to 12 major city destinations, with a total of 47 departures on an average business day. Traffic at Mid-continent has grown significantly in the past three years, as low fare carriers launched service.

In addition to the passenger airlines, there are five all-cargo airlines that move over 30,000 tons of cargo a year. General Aviation accounts for 75 percent of the total general air traffic at Mid-Continent Airport. Jabara Airport is a general aviation reliever airport in northeast Wichita that provides fueling and aircraft services to corporate and private aircraft.



*A new state of the art AirTran Boeing 717 jet loads passengers bound for Atlanta. AirTran Airways provides three daily non-stop flights to Atlanta, gateway to forty-one AirTran domestic and international destinations.*

Airport operations are governed by the Airport Authority, which by Charter Ordinance is composed of the members of the

Wichita City Council. The Director of Airports, reporting to the City Manager, handles operational management of the airports. In addition, a 13-member Wichita Airport Advisory Board provides advice to the City Manager and City Council regarding strategic airport issues.

The Airport Authority owns all land and facilities located on both airports except for Federal government facilities. Approximately 165 leases are managed with entities such as fixed based operators, manufacturers, aircraft/flight service agencies, car rental agencies, airlines, concession operators, the hotel operator, the parking lot manager and the Federal government. The lease revenue, along with Federal grants and passenger facility charges (dedicated to Airport Capital Improvements) make it possible for the airports to operate without property tax subsidies.

### Airport Service Levels

	2001	2002	2003	2004
Passengers	1,129,381	1,337,270	1,450,000	1,570,000
Air Cargo (tons)	24,919	34,743	33,500	33,500
General Aviation	151,103	137,747	130,000	130,000

### Finance and Operations

Airport operations are funded entirely by user fees. Revenues are comprised primarily of tenant rentals, flight fees and concessions. In addition, the Airport generates revenue through the sale of utilities to tenants. A large portion of the overall operational duties of the Airport is associated with compliance with Federal safety and environmental mandates. Regulations relate to many facets of the operation such as airfield lighting systems, airfield pavements, the computer-controlled access security system, underground storage tanks, storm water runoff control and hazardous materials disposal.

The Airport is organized into Administration, Engineering, Building Maintenance, Airfield Maintenance and Security divisions. Financial and managerial oversight, as well as clerical support are included in Administration. In addition, Air



## CITY OF WICHITA

Service development activities are centered in this Division. Engineering staff work with the Airport Improvement Plan and support construction projects at the Airport.

Airfield Maintenance responsibilities include surfaced areas of the tarmac (runways and taxiways) and landscaped areas. Airfield pavement area has recently been expanded significantly to support the new Cessna Service Center that is being developed. Some activities are contracted out, in addition to the tasks performed in-house. Vehicle maintenance is also managed by this work group, as well as snow removal in the winter.



Wichita Mid-Continent Airport and Colonel James Jabara Airport support well over 100,000 general aviation aircraft operations annually.

Building Maintenance is responsible for over 350,000 square feet, including the terminal building. Staff maintain the electrical

distribution system, computerized boilers, the airfield lighting system, and the airfield surface sensor system, as well as



Colonel James Jabara

Wichita's general aviation reliever airport in northeast Wichita is named after Colonel James Jabara. Although not born in Wichita, Col. Jabara was raised in Wichita and graduated from high school here. He served in World War II, flying over 100 combat missions. During the Korean conflict he became the world's first jet-on-jet fighter ace, ultimately downing 15 enemy aircraft. Scheduled for combat duty in Vietnam in 1966, Colonel Jabara tragically died in an automobile accident before deployment.

plumbing, electrical and ventilation systems. Custodial services are provided, primarily in the terminal building and the administration building.

The Airport is required to maintain security on Airport property, based on FAA regulations, the Airport Certification Manual and the Airport Security Plan. Staff includes 46 positions which provide security, law enforcement and crash rescue services 24 hours a day. Staff is supplemented, as necessary, by contracted security and other law enforcement personnel.

### Airport Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Airport Fund Revenue	17,032,785	15,014,100	14,394,000	14,765,100	15,102,900
Personal Services	4,678,382	5,450,230	5,485,300	5,757,250	6,022,920
Contractual Services	3,200,346	2,945,670	3,496,670	2,804,970	2,981,500
Commodities	604,374	763,310	744,740	771,960	782,070
Capital Outlay	164,791	493,990	249,390	324,000	226,350
Other	3,347,578	1,307,330	1,695,490	2,173,000	2,174,100
<b>Total Airport Fund Expenditures</b>	<b>11,995,471</b>	<b>10,960,530</b>	<b>11,671,590</b>	<b>11,831,180</b>	<b>12,186,940</b>
<b>Airport Fund Cash Balance</b>	<b>12,595,885</b>	<b>12,295,314</b>	<b>15,318,295</b>	<b>18,252,215</b>	<b>21,168,175</b>
Total full-time positions	110	110	110	110	110
Total part-time positions	4	4	4	4	4
Total FTE positions	111.25	111.25	111.25	111.25	111.25

## Highlights

- ✓ Staffing in Administrative Services is realigned to reflect changing responsibilities associated with positions.
- ✓ The Central Inspection premium on building permits was reduced by 15 percent in late 2002 to comply with the ordinance requirement to maintain a three to four month reserve.
- ✓ Additional funds are included for Central Inspection to enforce the new Joint Nuisance Code.
- ✓ Funding is included to purchase hand-held units to allow Inspection personnel to spend more time in the field.

General Government exists to provide professional leadership and management for a healthy and economically satisfying environment for citizens.

### Overview

General Government is comprised of Personnel, Property Management, Administrative Services and Central Inspection.

- Personnel recruits, hires, and trains employees for the City.
- Administrative Services supervises Municipal Court, the City Clerk's office and Central Inspection, Career Development, Neighborhood Assistance, Property Management Development Assistance, Internal Audit and Community Relations.
- Central Inspection enhances the public safety and welfare of the City through enforcement of City codes relating to building construction, housing maintenance, zoning, regulatory licensing, and neighborhood improvement services.
- Property Management engages in real estate transactions and manages property on behalf of the City.
- The Career Development Office is entirely grant funded and assists citizens in obtaining job training and job readiness skills.
- Assistance to citizens is provided by Neighborhood Assistants and Community Education Coordinators.

### Finance and Operations

General Government is comprised of several divisions that provide valuable services to citizens.

**Personnel** maintains a merit system of employment, administers classification and compensation plans, and promulgates personnel policies and procedures. The administration of employee programs, bargaining unit negotiations and grievance investigations are coordinated through Personnel.

Oversight of the City payroll process is housed in Personnel, where an average 2,338 direct deposits and 917 paychecks are processed and distributed bi-weekly. Staff also maintains personnel transactions and records; directs equal employment/affirmative action programs; coordinates the employee action programs; and coordinates the employee training and development programs.

Personnel Service Levels				
	2000	2001	2002	2003
Grievances Submitted to ERO*	59	76	79	75
Grievances Resolved by ERO*	56	65	65	65
Grievances Submitted to Grievance Board	3	10	14	10
Percent of Grievance Resolved by ERO*	94.9%	85.5%	82.3%	86.7%
*Employee Relations Officer (ERO)				

An Employee Training Fund was established to provide funding for training and travel that will enhance the performance of City employees. Employee training is administered by Personnel to ensure that training requests pertain to job duties and enhance the employee's working knowledge.

**Administrative Services** is divided into several sections: Administration, Public Information, Internal Audit, Government Relations/Legislative Services, Marketing, Development Assistance, the City Clerk's Office and Neighborhood City Halls.

The Internal Auditor verifies compliance with policies and agreements, and monitors and reviews management practices, including financial transactions.

The Public Information Officer (PIO) is responsible for handling the flow of information both within and outside of the City organization. The PIO manages the broadcasting of City Council meetings, public service announcements and television commercials in support of many City programs. The Public Information Office also publishes the bi-monthly employee newsletter, "City Link."

A Marketing Services Director coordinates the City's unified marketing effort. The budget includes an annual appropriation of \$125,000 to support the marketing campaign of City services. Marketing campaigns that have recently received support from the funding include:

- Second Annual Aviation Festival
- Economic Development Marketing Campaign
- Summer of Discovery
- Regional Tourism Initiative
- Golf Wichita Promotion

In 2001, the City's marketing programs were honored with the prestigious President's award from City/County Communications and Marketing Association (3CMA), which was the first time in the City's history. This award was received because of the innovative marketing practice with demonstrated results in communicating to the citizens of Wichita.

On April 18, 2000, the City launched the "Greening of Wichita" program challenging the citizenry of Wichita to lend a hand in planting 100,000 trees. The City was able to secure \$50,000 from the Lattner Foundation to support the program. Funds will primarily be utilized for the purchase of trees to be planted. In April 2003, 2,500 complementary sapling trees were distributed within 3 hours to citizens at City Hall and two YMCA locations to assist in the goal of planting 100,000 trees. Overall, the program is on pace to plant 10,000 trees per year through 2009.

The Intergovernmental Relations (IGR)/Legislative Services office is the City's lobbying arm, representing the City in Topeka during the legislative session and throughout the year. IGR also communicates legislative and policy issues of importance to the federal legislative delegation.

The City Clerk's Office is responsible for acting as ex-officio clerk of the City Council, the Board of Bids and Contracts, Staff Screening and Selection Committee, and for preparing minutes of all meetings. Additionally, the City Clerk maintains the official files of the City, and provides access to City Council meeting agendas and minutes. All users of the City's electronic mail network have access to indexed minutes at all times, offering considerable time savings to employees who need to refer to Council actions as an integral part of their jobs. In addition, the City Clerk's office posts Council minutes on the Internet after every council meeting.

The final section of the Administrative Services Division is Neighborhood City Halls, which provides a direct, decentralized connection between the City organization and the citizens of Wichita.

Each Council District has a District Advisory Board (DAB) that provides feedback and input on City policies, programs and projects, and assists with issues ranging from the City Operating Budget to specific zoning cases impacting a neighborhood. The boards meet in the evening to provide citizens easy access to local government. Each District Advisory Board develops goals and special projects to directly serve the citizens in their district.



Currently four Neighborhood City Halls are open and house Community Police and Neighborhood Inspectors, along with recreation, health and library staff. The four locations are Atwater Community Center, Colvin Neighborhood Center, Evergreen Neighborhood Center and Aley/Stamley Community School Center. The Neighborhood City Hall concept affords area residents easier access to City services.

**Central Inspection** staff are dedicated to provide building, housing and zoning code enforcement services for developers, building contractors, homeowners and business owners. Primarily, the services are provided by certified building and housing inspectors.

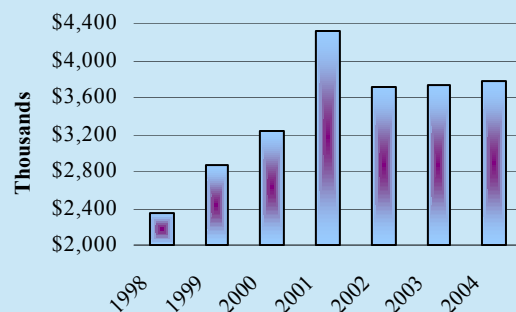
**Central Inspection Service Levels**

	2001	2002	2003	2004
Building permits	8,040	8,578	7,800	8,200
Building inspections	23,717	25,977	23,000	25,000
Trade permits	18,739	18,061	17,500	20,000
Trade inspections	57,521	59,753	54,000	57,000

**Central Inspection Service Levels - Code Enforcement**

	2001	2002	2003	2003
Housing inspections	21,535	22,051	23,000	24,000
Housing cases opened	1,663	1,678	1,300	1,750
Housing cases closed	1,267	1,322	1,350	1,450

**Permit Revenue**



Central Inspection also has oversight for the Development Assistance Center. In 1998 the center was established to provide a single point of contact for developers. The Development Assistance Center has been actively involved in annexation activities including coordinating a staff annexation team; providing development information for residents; and organizing and conducting meetings with affected citizens.

Building inspectors provide detailed inspections of new construction across the City. Housing inspectors respond directly to citizen requests and complaints and help protect the value of existing real estate, particularly properties located in more mature sections of the city. A Neighborhood Inspector is housed at each Neighborhood City Hall to enhance neighborhood-based services and code enforcement.

In addition to field inspection services, Central Inspection also reviews construction-building plans and supports the Development Assistance Center, a one-stop City coordinating unit for real-estate developers. Central Inspection is a self-sustaining fund supported entirely by user fees derived from building code permitting and enforcement activity. Approximately 73 percent of annual revenues are derived from the collection of permit fees on new residential and commercial construction in the City.

New construction is a highly cyclical industry. In order to protect the Central Inspection Fund from sharp downturns in the market, an operating cash reserve is maintained that is equal to three to four months of operating costs. This buffer allows quality inspection staff to be retained in periods of recession and provides the opportunity for hiring of additional staff during times of peak activity. Because building permit fees provide the bulk of revenues for operations, the fees have

a significant impact on fund balance. Periodic adjustments are made upward or downward based on construction activity and fund balance, and are generally discussed and jointly supported by Central Inspection staff and builders prior to Council approval.

Construction of large commercial projects was very strong in 2001 and 2002, and is expected to continue with the USD 259 bond projects and projected Wesley Hospital expansion. At the same time, the assessed valuation of single-family home construction is at record highs, despite reductions of local labor force. These two factors have resulted in strong revenues for the fund and resulted in a 15 percent reduction of the building permit premium in October 2002 to stay within the 3 to 4-month operating reserve limits.

The City is moving toward becoming more Internet and e-government focused. Central Inspection will be implementing several of its services online. These services would allow Citizens, contractors, property owners and businesses around-the-clock Internet capability to perform several functions.

Property Management is involved in transactions to buy and sell real estate on behalf of the City. Many transactions are related to CIP projects and the need for right-of-way or building locations. In addition, this office also manages City owned properties, focusing on properties that are revenue generating. Managed properties include the Victoria Park Apartments and the City Hall Parking Garage. The office is funded entirely by lease revenues. The Farm and Art Market in Old Town has been converted beginning in April 2003 and currently serves as the location for the new Museum of Ancient Treasures.

## General Government Department Budget Summary

	2002	2003	2003	2004	2005
	Actual	Adopted	Revised	Adopted	Approved
Personal Services	6,062,021	6,379,610	6,081,890	6,405,520	6,604,900
Contractuals	2,235,714	2,494,050	2,254,280	2,201,180	2,201,180
Commodities	99,661	125,780	109,300	90,700	90,700
Capital Outlay	(1,100)	414,080	415,450	812,000	-
Other	607,219	877,270	338,110	241,780	228,180
<b>Total Local Expenditures</b>	<b>9,003,515</b>	<b>10,290,790</b>	<b>9,199,030</b>	<b>9,751,180</b>	<b>9,124,960</b>
General Fund	2,529,007	2,685,730	2,365,750	2,414,320	2,448,430
Property Management	1,282,851	1,831,270	1,701,800	2,047,460	1,247,390
Central Inspection Fund	5,191,657	5,773,790	5,131,480	5,289,400	5,429,140
<b>Total Local Expenditures</b>	<b>9,003,515</b>	<b>10,290,790</b>	<b>9,199,030</b>	<b>9,751,180</b>	<b>9,124,960</b>
<b>Grant Resources</b>					
Total full-time positions	113	113	111	109	109
Total part-time positions	3	2	1	0	0
Total FTE positions	114.5	114.25	111.75	109	109





## CELEBRATING 100 YEARS OF FLIGHT

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### **"Buzzsaw Bomber"**

**Artist:** Andrew Smith  
**Where:** Bradley Fair  
2000 N. Rock Rd.  
(21<sup>st</sup> St. & Rock Rd.)  
**Sponsor:** Conco Construction  
**Benefits:** Wichita Children's Home  
and Heartspring

### **"Winged Liberty"**

**Artist:** Todd Whipple  
**Where:** Warren Old Town Plaza  
353 N. Mead  
(2<sup>nd</sup> St. & Rock Island)  
**Sponsor:** Warren Theatres -  
Bill Warren  
**Benefits:** CityArts



## Highlights

- ✓ The Golf system provides annually approximately 200,000 rounds of high quality, affordable golf.
- ✓ The new Auburn Hills golf course has been open for two years. It has been ranked as one of the top ten public courses in Kansas.
- ✓ Rounds continue to be depressed, following a national trend in the golf industry. Without a significant rebound in activity in the next 12 months, a fee increase in the latter half of 2004 may be necessary to maintain fund balances.
- ✓ Clubhouse operations at two city courses are operated by contractual PGA professionals. These contracts expire at the end of 2003. All maintenance activities and clubhouse operations at three courses are managed with City staff.

The core purpose of the Golf Department is to provide high quality golfing opportunities to citizens with course operations being fully funded by golfers paying reasonable fees.

### Overview

The City operates five golf courses: Arthur B. Sim Park, L.W. Clapp, Alfred MacDonald, Tex Consolver and Auburn Hills. City staff maintains each course and the entire golf operation is supervised by the Golf Course Manager employed by the City. Currently, at two of the five courses, the City contracts with a PGA pro who is responsible for the pro shop and concessions. At Auburn Hills, LW Clapp and MacDonald, a City Golf Pro manages the clubhouse operations.

The courses are funded by the Golf Fund with operating revenues derived solely from user fees. Annually, around 200,000 rounds are estimated to be played at the City's courses. Fees include regular green fees, weekend/holiday fees, season passes and tournament fees.

The five courses each offer the golfer a different set of challenges. Opened in west Wichita in 1969, Tex Consolver Golf Course, at 7,361 yards, is the longest of the City's four courses. The par 72 course is considered one of the most challenging, with water in play on 8 holes and a fair amount of tree cover. In 1993, a new irrigation system was installed, at a cost of \$840,000. Annually, over 46,000 rounds are played.

The L.W. Clapp Golf Course, located in southeast Wichita, is the smallest course, occupying 95 acres. The tight layout coupled with a creek wandering through the course creates many challenging holes. The par 70 course measures 6,087 yards, and hosts around 39,000 rounds annually. The course received a major renovation in 1988 with new greens and a new irrigation system.

Sim course is located in the center of Wichita and is the oldest municipal course, dating to 1919. At 6,330 yards, the par 70 course offers a simplified layout, with tree-lined fairways leading to well bunkered greens. Sim is the City's busiest course, generating nearly 52,000 rounds annually. The course was enhanced in 1988, with significant tee box and greens renovations, in addition to a new irrigation system.

The par 71 MacDonald Golf Course is generally considered to be the best all-around municipal course. The course, the former Wichita Country Club, measures 6,911 yards, and features fairways lined with mature cottonwood trees. Over 44,000 rounds are played annually at MacDonald. During 1995, the City invested nearly \$2 million in a complete renovation of the course, including a new irrigation system and 18 new greens.



*MacDonald Course, which opened initially in 1911 as the Wichita Country Club, was extensively renovated in 1995. The course, which plays at 6,911 yards, features a rolling terrain and tree-lined fairways.*

Auburn Hills course is the City's newest, opening in May 2001. This course was the result of a public/private partnership and the investment of over \$11 million. Designed by world-renowned golf course designer Perry Dye, the course is one of the finest in the region. In just its second year, the course has already been rated as one of the top ten public courses in Kansas.

	<u>Yardage</u>	<u>Slope</u>	<u>Rating</u>
<b>Sim</b>	6,330	113	70.2
<b>LW Clapp</b>	6,087	122	69.9
<b>MacDonald</b>	6,911	131	73.9
<b>Consolver</b>	7,361	126	75.5
<b>Auburn Hills</b>	7,169	142	76.0

## Selected Performance Measures

	2000	2001	2002	2003	2004
Operating cost per round played	13.48	16.02	13.95	14.90	15.12
FTE per course acres	0.03	0.04	0.04	0.04	0.04
FTE per course holes	0.55	0.61	0.65	0.65	0.65
Total rounds of golf (thousands)	179	187	190	204	207

Depending on the layout of the course, between three and eight full-time City staff provide maintenance. A Maintenance Superintendent, assisted by an Assistant Superintendent and a Greenskeeper directs the activities at each course. Seasonal part-time staff are used extensively, particularly during the summer months. With its corridor-style design, maintenance at Auburn Hills is more labor intensive. In addition to the Superintendent and Assistant Superintendent, six additional full time staff are involved in course maintenance.



*The par 3, seventh hole at Auburn Hills, the City's newest course. Opening in May 2001, Auburn Hills is regarded as one of the best municipal courses in the State.*

Clubhouse operations at two City courses are provided by PGA Pros, under contract with the City. At these courses, the Pros provide golf carts, lessons, limited concessions and pro shop items. These contracts expire at the end of 2003. The Auburn Hills clubhouse includes an expanded pro shop and full grill service operated by a PGA Pro employed by the City. Pro shops and concessions at LW Clapp and MacDonald courses are also now operated by the City employed PGA Pros. In addition, a City operated fleet of golf carts is available at Auburn Hills, LW Clapp and MacDonald.

## Finance and Operations

The budget for Golf provides for a continuation of the enhanced maintenance operations activities initiated in 1997. In addition, an increased level of debt service is budgeted, associated with

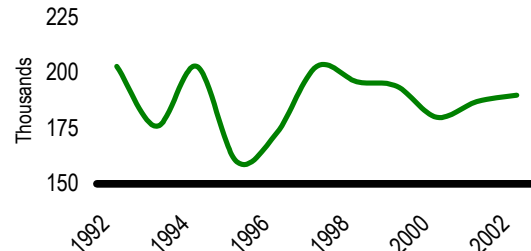
the system capital improvements that have been undertaken the past few years.

Golf revenues are generated exclusively from user fees (green fees, cart rentals, concession sales) and interest earned on fund balances. All golf expenditures are funded through user fees, with no General Fund subsidization of golf expenditures. In addition, the Golf Fund reimburses the General Fund for administrative support through administrative charges.

In the past decade, except for periods during which courses were being renovated, approximately 200,000 rounds were played annually. However, the past few years have experienced a depressed number of rounds, consistent with nationwide golf trends. With the completion of Auburn Hills, annual rounds are expected eventually to increase to around 220,000; however, through 2003 rounds continue to remain subdued, even with the additional of Auburn Hills.

Unless play resumes to historic levels in the near future, additional revenue will be needed prior to 2005. Even with an increase, municipal golf fees will remain competitive within the Wichita market.

## Golf Systems Rounds Played 1992 - 2002



During the summer months, the courses host Junior Golf. The Junior Golf Program provides golfing opportunities for youth at a reduced rate of \$2 per round. The program has been very successful and not only provides summer recreation for youth, but helps to develop future golfers for the City courses. In addition, the City provides seniors with discounts rates. Several local high school golf teams practice at city courses at reduced rates, and city courses annually host many state and regional high school golf tournaments, both for boys and girls.

In the past decade, the City has invested over \$14 million in course capital improvements. This effort has included major renovations at Sim Park and L.W. Clapp in 1988; a new irrigation system at Pawnee Prairie in 1993; and total renovation of the MacDonald course in 1995. These capital improvement projects culminated with the completion of the new Auburn Hills Golf Course in west Wichita.



*The Junior Golf Program provides golfing opportunities for youth at a reduced rate of \$2 per round.*

The Golf budget includes enhanced grounds maintenance under a program that began in 1997. Since that time, maintenance staff have aggressively overseeded fairways, rebuilt tee boxes, improved drainage and completed other projects. Enhanced operating expenses, coupled with the capital investment of the last decade, are intended to ensure a high quality round of golf at a reasonable price. In the future, additional capital investment in renovated clubhouses and additional rip rapping of shore lines is programmed.

To enhance customer access and to provide enhanced data for course management, a new POS system was installed in 2003 and the new golf website, [www.wichitagolf.com](http://www.wichitagolf.com), was started. Customers can now reserve tee times and research the City

courses 24 hours a day, over the internet. The new POS system includes an automated tee sheet, and significantly improves the collection of sales data.

## *Behind the Names of the Wichita Municipal Courses*

Arthur B Sim Memorial Park - This course was developed in 1919. The course honors Arthur B. Sim. Mr. Sim's father Coler L. Sim donated a large tract of land (what is now Sim Park) to the City to memorialize his son after his untimely death.

L. W. Clapp Park - The former Meadowlark course was built in the 1920's and acquired by the City in 1954. The course is named after L.W. Clapp, who served as Mayor from 1917 – 1919; as City Manager from 1919 – 1921, and later for many years as the President of the Board of Park Commissioners.

MacDonald Park - This course was opened initially in 1911 as the Wichita Country Club. The City purchased it in 1951. The course is named after Alfred B. MacDonald, Wichita City Manager from 1939 – 1941.

Consolver - Pawnee Prairie course, as it was initially known as, was constructed by the City in 1969 on land adjacent to the Airport. The course was re-dedicated in 2000 in honor of the late Beal "Tex" Consolver. Tex, a member of the Kansas Golf Hall of Fame who was widely considered to be "Mr. Public Golf" in Wichita, worked with the Park Board for over 58 years.

Auburn Hills - Opened on May 25, 2001, this course is the only corridor course in the municipal system. The course name recognizes the golden grain fields that grace the rolling terrain of Kansas.

## Golf Department Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
<b>Golf Fund revenue</b>	<b>3,382,028</b>	<b>4,553,200</b>	<b>4,326,320</b>	<b>4,413,330</b>	<b>4,660,150</b>
Personal Services	1,459,786	1,757,680	1,188,950	1,260,330	1,324,790
Contractual Services	697,577	829,780	1,273,820	1,275,430	1,275,430
Commodities	398,879	442,570	440,070	448,870	459,370
Capital Outlay	112,487	125,000	125,000	175,000	185,000
Other	491,896	1,328,170	1,524,900	1,485,360	1,471,310
<b>Total Golf Fund Expenditures</b>	<b>3,160,625</b>	<b>4,483,200</b>	<b>4,552,740</b>	<b>4,644,990</b>	<b>4,715,900</b>
<b>Golf Fund Balance</b>	<b>755,601</b>	<b>622,660</b>	<b>529,181</b>	<b>297,521</b>	<b>241,771</b>
Total full-time positions	29	30	30	30	30
Total part-time positions	56	56	56	56	56
Total FTE positions	58	59	59	59	59





## CELEBRATING 100 YEARS OF FLIGHT

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### **"Destination Oz"**

**Artist:** Pamela Jones  
**Where:** 2020 . Bramblewood  
(21<sup>st</sup> St. & Woodlawn)  
**Sponsor:** Berexco Inc. - Adam & Ellen  
Beren and Joan S. Beren  
**Benefits:** National Conference for  
Community & Justice

### **"Aerial"**

**Artist:** Jonathan Clark  
**Where:** Gossen Livingston Architects  
420 S. Emporia  
(Lewis & Emporia)  
**Sponsor:** Gossen Livingston Architects  
**Benefits:** CityArts



## Highlights

- ✓ Eliminations result in several areas of the 2003 Revised budget: \$15,000 from Bicycle Programs, \$75,000 of Office Automation, \$50,000 in Microfilming, \$50,000 of Homeless Overflow Assistance, and \$75,000 in Neighborhood District Grants.
- ✓ On-going reductions include \$36,170 in Memberships, \$150,000 from Employee Training and Development, \$250,000 in Reforestation, \$55,000 of Cable TV Broadcasting, \$41,790 in Community Relations and Information, \$25,000 from Research and Development.
- ✓ Total Reductions (from the 2003 Adopted budget) are \$811,430 or 47% in 2003 Revised and \$862,910 or 49% in the 2004 Adopted.

### Overview

The Nondepartmental budget consists primarily of General Fund expenditures for programs not assigned to a specific department, due to the nature of the expenditure. Some programs generate revenues that directly offset expenditures, however most do not.

Broadcasting of City Council meetings, workshops and various public service offerings are funded with a budget of \$20,000. Community Relations and Information includes funding in the amount of \$75,000 to support activities related to community services, facilities, functions, and courtesies associated with community information.

### Finance and Operations

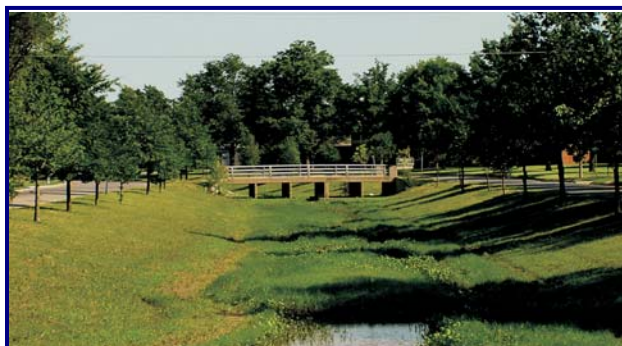
Financed primarily from the General Fund, the budget continues most programs established in prior years, although significant cuts had to be made in Nondepartmental activities in the 2003 Revised budget (and going forward). The nature of programming falls into three basic categories:

- ✓ Support of infrastructure with funding for economic development and reforestation
- ✓ Support of community education and information, City election expenses, and broadcasting of City Council meetings
- ✓ Investment in the City organization with funding for employee training and development, memberships to professional organizations, and employee recognition programs

**Infrastructure.** The City's participation in economic development is continued with a \$300,000 annual contribution to the Economic Development Fund. The fund finances activities that explore initiatives with projected benefits to the community and also finances activities that sustain and grow the economic assets of the City.

Consistent with past practices, the City's dedication to reforestation continues with an annual allocation of \$100,000. The funds are used to replace significant tree losses due to natural disasters, disease or aging tree populations. Unexpended funds remaining after the planting season are reserved to take advantage of future planting opportunities.

**Community Support.** City Manager and General Government provide oversight to several programs. The Cable TV



*In west Wichita, trees line the drainage ditch that separates the Westlink Drives.*

Research and development funds finance unique and one-time research projects, as well as the operating expenses of the IDEA Center. \$75,000 is included each year to fund organizational transformation projects, to search for ways to continue to make the City an ever-better value for the taxpayers' dollars.

Bi-annual election expenses are included at \$40,000, with funding increased for 2003 due to higher than normal costs incurred. Actual costs incurred from elections are certified to the City by the County Election Commissioner.

**Organizational Investment.** To maintain up-to-date industry information and provide the community with the best workforce possible, the City continually invests in employee training and development. Funds are specifically targeted for multi-lingual training, to insure no citizens are excluded from City services.

## CITY OF WICHITA

The City also maintains memberships in professional organizations at the regional, state and national levels. Combined, these efforts improve the job skills of employees at all levels, and improve cost efficient service delivery to the public.

The City maintains membership in regional, state and national municipal organizations, as well as information service organizations. The National League of Cities (NLC), U.S. Conference of Mayors, International City Manager's Association (ICMA), the League of Kansas Municipalities (LKM), the Regional Economic Area Partnership (REAP) and the North American International Trade Corridor Partnership are some of the professional group memberships funded with this allocation.

The Adopted Budget also challenges City departments to do more with less. Several allocations are trimmed significantly as part of the budget revision process. Technology purchases and supplemental monies for microfilming documents are no longer included in the budget, with departments expected to find savings within their own operations to fund these activities. Additionally, the \$15,000 annual allocation for bike path maintenance and upgrades will have to be absorbed by departments and the Debt Service Fund.

### Nondepartmental Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Personal Services	28,473	28,000	28,000	28,000	28,000
Contractuals	814,735	935,780	462,980	418,610	458,610
Commodities	35,074	67,000	36,260	36,260	36,260
Capital Outlay	0	0	0	0	0
Other	362,396	465,000	400,000	400,000	400,000
	1,240,678	1,495,780	927,240	882,870	922,870
Employee Training Trust Fund	341,370	300,000	150,000	150,000	150,000
Full-time positions	0	0	0	0	0
Total FTE positions	0	0	0	0	0

## Highlights

- ✓ Decreases allocation of Tourism and Convention activities by three percent in 2003 budget.
- ✓ No allocation for Century II and Expo Hall renovations and Appropriated Reserves in 2003.
- ✓ 2004 is the final Women's International Bowling Congress (WIBC) allocation prior to the 2004 event.

The mission of the Tourism and Convention Fund is to support and promote tourism and convention activity in Wichita.

### Overview

The Tourism and Convention Fund, financed through a six percent transient guest tax on hotel and motel rooms in Wichita, provides monies to support tourism and convention, infrastructure, and promotion in the City. Transient Guest tax funds are governed by the provisions of Charter Ordinance No. 91 authorizing funding of convention and tourism activities and operation or maintenance of Century II.

### Finance and Operations

The Tourism and Convention Fund finances and operations are well defined and prioritized, based on language in Charter Ordinances. Fund priorities are: 1) debt service for tourism and convention facilities, 2) operational deficit subsidies and 3) care and maintenance of Century II. Obligations connected to debt service and improvements require the major portion of the Fund's capacity. Funds are also allocated to general tourism and convention promotion, primarily through the Greater Wichita Convention and Visitor's Bureau.

Recent capital investments in convention facilities in the East Bank and Old Town areas have added new debt, increasing the fund's annual expenditures. Debt service on a conference

center parking facility and the new Century II and Expo Hall energy complex began in 1998. Obligations associated with the Hotel at Old Town parking facility started in 2000. Most significantly, the City's annual debt service commitment to the East Bank conference center began in 2000. The East Bank debt service escalates to over \$1.2 million in 2005 and has a considerable impact on the amount of funding available for other projects. Location fees are also included in this year's budget for the Women's International Bowling Congress (WIBC), scheduled in 2004. In 2003, Transient Guest tax is projected to decrease by two percent, therefore expenditure reduces accordingly to offset the decline in revenue. This will result in curtailing 2003 Revised budget in the following areas: Tourism Initiative and Marketing, Promotion and Convention, Century II and Expo Hall.



Warren Theatre in Old Town. Picture taken by Darren Decker.

## Tourism and Convention Fund Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
<b>Total Revenue</b>	<b>4,437,376</b>	<b>4,642,980</b>	<b>4,489,570</b>	<b>4,372,670</b>	<b>4,415,890</b>
Budgeted Expenditures:					
Century II/Expo Hall	2,706,280	2,636,460	2,544,220	2,471,700	2,502,680
Promotion / Convention	1,223,799	1,274,960	1,277,460	1,222,510	1,266,850
Tourism Initiative & Marketing	543,126	577,500	515,000	521,500	566,150
Other	149,030	154,030	147,950	152,950	77,950
<b>Total Expenditures</b>	<b>4,622,235</b>	<b>4,642,950</b>	<b>4,484,630</b>	<b>4,368,660</b>	<b>4,413,630</b>
<b>Fund Balance</b>	<b>186,181</b>	<b>179,485</b>	<b>191,121</b>	<b>195,131</b>	<b>197,391</b>



## Highlights

- ✓ The Special Alcohol and Drug Programs fund includes \$942,570 in 2003 to fund counseling contracts with delegate agencies and \$258,760 to fund innovative drug abuse programs. Anticipated receipts in 2004 and 2005 will provide resources to continue both levels of support.

## Overview

In 1979, the Kansas State Legislature established a 10 percent gross receipts tax on the sale of liquor, including spirits, wine and strong beer. Effective July 1, 1987, the drink tax applied to caterers and drinking establishments in "wet" counties. Revenue generated locally by this tax is distributed to the City for the purpose of providing substance abuse treatment and prevention services. Under State law, one-third of the tax revenue is credited directly to the General Fund, one-third goes to the Special Alcohol and Drug Programs Fund, and the final third is credited to the Special Parks and Recreation Fund.

## Finance and Operations

Through contracts with delegate agencies, the Special Alcohol funds provide treatment and intervention services for over 5,000 citizens of Wichita and Sedgwick County annually. The mix of clients served by the agencies includes 12 percent youth clients, 37 percent female clients and 42 percent minority clients.

City Council authorized COMCARE to administer the Special Alcohol & Drug Programs. Administration activities include monitoring of delegate agency performance and their program budgets. Recommendations to the City Council for future levels of support will be based, in part, on results generated by COMCARE's ongoing process of measuring and benchmarking program outcomes, a process that began in 1998.



*The Special Parks & Recreation Fund supports a variety of recreational programs, including Art programs for youth.*

Expenditures from the Special Parks & Recreation fund are to be made only for the purchase, establishment, maintenance, or expansion of park and recreational services, programs and facilities. The fund provides support for the following programs: Summer of Discovery, After School Playground, Grade School Night, Teen Night, Saturday Recreation, Summer Playground, Arts Program, Hoop It Up, Greater Wichita Junior Football, programs for the disabled, city-wide athletic events, free swimming and child care. Support of qualifying programs sponsored by the Art Museum and Library may also be included.

## Special Alcohol Funds Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
<b>Special Alcohol &amp; Drug Programs</b>					
Revenues	1,286,399	1,275,470	1,282,570	1,314,330	1,348,460
Expenditures	1,825,269	1,316,260	1,314,850	1,614,920	1,354,920
<b>Fund Balance</b>	<b>357,303</b>	<b>102,623</b>	<b>325,023</b>	<b>24,433</b>	<b>17,973</b>
<b>Special Park &amp; Recreation</b>					
Revenues	1,255,318	1,279,610	1,272,570	1,309,330	1,348,460
Expenditures	1,165,350	1,398,170	1,398,170	1,386,980	1,348,460
<b>Fund Balance</b>	<b>203,258</b>	<b>69,460</b>	<b>77,658</b>	<b>8</b>	<b>8</b>
Total FTE positions	0	0	0	0	0

## Overview

Kansas State law (K.S.A. 12-1770) provides that costs related to the redevelopment of an area designated as “blighted” or a “conservation area” may be recovered through the use of Tax Increment Financing (TIF). The TIF mechanism dedicates the property tax revenue resulting from redevelopment (and assumed subsequent increased property values) toward repayment of the initial redevelopment cost.

State law (K.S.A. 12-1771a) allows the City to fund the cleanup of an environmentally contaminated area through the use of a special type of TIF. Environmental tax increment (decrement) financing involves the restoration of property values in a contaminated area to higher, pre-contamination levels and capture up to 20 percent of the increment of property tax produced by the valuation increase to pay cleanup costs.

The economic TIFs comprise six separate redevelopment projects: East Bank, 21<sup>st</sup> & Grove, Old Town, Old Town Cinema, and Central & Hillside. Each of these projects provides TIF funding to defray the costs of infrastructure redevelopment and/or enhancements within the districts. The environmental TIFs address groundwater remediation projects and consist of two separate projects: Gilbert & Mosley and the North Industrial Corridor.

## Finance and Operations

**Economic Development TIFs.** The TIF funds are used to pay the debt service costs associated with bonds issued to finance the redevelopment costs in the districts. Redevelopment activities include improvements to sidewalks, streets, curbs and gutters, street lighting and other public infrastructure improvements and public amenities. The improvements help ensure that the areas remain vital components of the City's overall economic growth strategy.

The Economic Development Division of the Finance Department administers the economic development TIFs. The Division assists in forecasting TIF revenue, as well as establishing the mechanism and schedule for debt repayment. Expenditures are largely debt service payments on the infrastructure improvements used in the development of the districts.

**Environmental TIFs.** TIF District #1 was established in 1991 to fund the clean-up of groundwater contamination in the Gilbert & Mosley area. At that time, the City entered into an agreement with the Kansas Department of Health and Environment (KDHE) whereby the City agreed to undertake the clean-up to avoid the substantial cost and stigma associated with designation as a Superfund site. Tax Increment Financing

### Herman Hill Park Building Complex - Architectural Model

Meandering Creek

Herman Hill Park Environmental Education Center



Treatment Building

Plaza Area

## CITY OF WICHITA

District #2 was established in January 1996 to fund the clean-up of groundwater contamination in the North Industrial Corridor (NIC) area.

After years of investigating pollution sources and engineering the cleanup, the groundwater remediation system was operational in late 2002. The remedial design approved by KDHE involves extraction and treatment of the contaminated groundwater. Additional public amenities, such as public education facilities, are currently under consideration for the project.

Environmental TIF expenditures include legal and project consultant fees; laboratory costs; KDHE/EPA oversight costs; testing/sampling materials; remediation capital and operational costs; debt service; and administrative costs. City staff and legal advisors continue their efforts to ensure that Potentially Responsible Parties (PRPs) reimburse the City for as much of the projects' costs as possible.

Gilbert & Mosley contamination remediation and ground water cleanup activities are not projected to be complete within the

20-year time period during which TIF funding can be legally made available. City staff are currently exploring options for addressing the statutory 20-year limitation, which could include petitioning the Kansas State Legislature for a waiver or extension of the deadline, or re-establishing the district upon its expiration.

The North Industrial Corridor (NIC) TIF is in the remedial investigation phase, whereby testing and sampling is done to determine the extent and causes of contamination. KDHE now requires that this phase include preliminary identification of PRPs, and in the NIC TIF, initial payment for some of the remediation costs have already been received from one PRP.

Certificates of release of liability have been issued from any of the properties within the NIC site. The releases promote fairness by ensuring that those proven not responsible for contamination in the district are not burdened with legal difficulties of proving their lack of culpability, and enable the properties to be transacted without the stigma of being designated a polluted property.

### Tax Increment Financing Funds Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
Gilbert & Mosley TIF Fund Revenue	2,858,656	6,494,230	2,895,730	2,805,040	2,805,040
Gilbert & Mosley TIF Fund Expenditures	3,867,005	3,666,530	3,888,050	2,573,680	2,804,770
NIC TIF Fund Revenue	1,376,472	3,204,200	1,230,300	1,213,300	1,175,300
NIC TIF Fund Expenditures	427,639	1,951,220	1,913,970	2,206,510	1,136,790
East Bank TIF Fund Revenue	108,233	5,000	106,970	655,760	655,760
East Bank TIF Fund Expenditures	4,950	5,000	210,150	655,850	655,400
Old Town TIF Fund Revenue	399,332	359,570	409,920	421,890	440,050
Old Town TIF Fund Expenditures	209,454	221,160	221,160	270,600	274,450
21 <sup>st</sup> & Grove TIF Fund Revenue	33,487	21,770	32,930	33,190	33,830
21 <sup>st</sup> & Grove TIF Fund Expenditures	21,790	21,770	44,630	33,190	33,830
Central & Hillside TIF Fund Revenue	0	0	0	1,143,800	1,143,800
Central & Hillside TIF Fund Expenditure	0	0	0	1,143,800	1,143,800
Old Town Cinema TIF Fund Revenue	0	73,320	73,320	204,740	233,360
Old Town Cinema TIF Fund Expenditure	0	0	0	278,060	233,360
Total FTE positions	1	1	1	1	1

# CITY OF WICHITA SELF-SUPPORTING MUNICIPAL IMPROVEMENT DISTRICT



*The goal of the SSMID is to enhance the vitality of the downtown area*

## Overview

In 2000, the City Council approved the formation of a Self-Supporting Municipal Improvement District (SSMID) in downtown Wichita. The SSMID is a benefit assessment district created to improve and convey special benefits to properties located within the central business district of Wichita. The district was endorsed by a majority of downtown property owners with the stated purpose of financing improvements and services in the central business district on a supplemental basis. In other words, activities funded by the SSMID will supplement, not replace, existing downtown promotion/marketing activities.

Under State law, the District has a 10-year lifespan, with SSMID funds available beginning on January 1, 2002. After 10 years, the SSMID may be renewed by repeating the district formation process.

The district currently levies an additional 7.36 mills of property tax on commercial properties located within the district to support SSMID activities; State law provides that up to 10 mills may be levied for this purpose. This additional tax revenue is dedicated solely to SSMID activities.

The SSMID is governed by the City Council. The Kansas SSMID statute allows for the creation of an advisory board to submit operating plans and budgets to the Council, and to provide assistance in policy direction for SSMID-funded activities. Voting members of the SSMID Advisory Board must be property owners and/or lessees of commercial property (or corporate designees) within the District, and must provide evidence that they pay SSMID assessments.

## Finance and Operations

The goals of the SSMID include providing a strong, unified voice for the downtown area; strengthening downtown's competitiveness to attract and retain businesses; and protecting and enhancing downtown property values. Supported activities include image enhancement, marketing, business retention and recruitment, urban vitality improvements and operational activities.

Day-to-day administration of SSMID activities are contracted to a separate entity to provide centralized oversight and direction for SSMID activities. Activities include downtown promotion and marketing, as well as business recruitment. Start-up operations were funded from a loan of \$100,000 for the City's General Fund to be repaid over a period of four years beginning with the first distribution of tax funds in 2002. The SSMID is not projecting an increase in the mill levy.

## Self-Supporting Municipal Improvement District Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Approved
<b>SSMID Fund Revenue</b>	<b>466,439</b>	<b>495,000</b>	<b>495,000</b>	<b>510,000</b>	<b>520,000</b>
Contracted program activities	442,338	470,000	470,000	485,000	495,000
Loan repayment	25,000	25,000	25,000	25,000	25,000
<b>Total SSMID Fund Expenditures</b>	<b>467,338</b>	<b>495,000</b>	<b>495,000</b>	<b>510,000</b>	<b>520,000</b>
<b>SSMID Fund Balance</b>	<b>0</b>	<b>899</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total FTE positions	0	0	0	0	0





## CELEBRATING 100 YEARS OF FLIGHT

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### “Educ-Ace-Tion”

**Artist:** East High Honor Art Students  
**Where:** Clifton Square  
3700 E. Douglas Ave.  
(Clifton & Douglas)  
**Sponsor:** Colby B. Sandlian  
**Benefits:** Wichita Children's Home

### “Music Takes Wing”

**Artist:** Eugene Holdsworth  
**Where:** North Branch YMCA  
3330 N. Woodlawn  
(Woodlawn & K-96)  
**Sponsor:** DeVore Foundation  
**Benefits:** YMCA



The Debt Service Fund provides for repayment of government debt, collateralized by the full faith and credit of the City's taxing authority.

## Overview

Funding sources for debt payment include property taxes, sales taxes, transfers from other funds, special assessments and interest earnings.

The City's Debt Policy is:

- ✓ long-term borrowing (bonds) is confined to capital improvements and self-insurance programs;
- ✓ short-term debt is used for bond anticipation purposes;
- ✓ revenue bonds are issued for projects of enterprise funds;
- ✓ an aggressive retirement program be maintained for existing debt, ten years for City at-large debt and 15 years for special assessment debt;
- ✓ general obligation debt finances general purpose public improvements which cannot be financed from current (pay-as-you-go) revenues;
- ✓ special assessment general obligation debt is used to finance special benefit district improvements; and
- ✓ a minimum Debt Service Fund reserve of \$3 million be maintained.

A component of the debt policy is compliance with the legal debt limit. According to Kansas statutes, bonded indebtedness is not to exceed 30 percent of the sum of taxable tangible property valuation and motor vehicle assessed valuation within the jurisdiction.

## Finance and Operations

The budget maintains property tax support at the ten-mill level. No increases in property tax rates are assumed. Debt service estimates are based on the adopted 2002–2011 Capital Improvement Program.

The debt service projection includes general obligation local sales tax (GO-LST) bonds to finance construction of the Tyler/Maize and Woodlawn freeway interchanges

New revenue streams directly offset the debt service requirements for the Tourism and Convention (T&C) and Tax Increment Financing (TIF) Districts. Debt service for the Hyatt Parking Garage and Energy Complex are supported by transient guest taxes exclusive to the Hyatt Hotel. The debt service of the TIF Districts is supported by property tax resulting from the improvements in the respective areas.

### Statement of Legal Debt Margin As of February 1, 2003

2002 Tangible Valuation	2,281,661,715
2001 Motor Vehicle Property Assessed Value	324,708,562
<b>Equalized tangible valuation for computation of bonded indebtedness limitations</b>	<b>\$ 2,606,370,277</b>
<b>Debt limit (30 percent of \$2,606,370,277)</b>	<b>\$781,911,083</b>
Bonded indebtedness	356,408,652
Temporary notes	90,700,000
<b>Total Net Debt</b>	<b>\$447,108,652</b>
Less exemptions allowed by law:	
Airport	4,865,000
Sewer Improvements	60,928,742
Park Improvements	7,601,494
Sales Tax	101,000,000
Storm Water Utility	9,381,360
<b>Total deductions allowed by law</b>	<b>\$183,776,596</b>
Legal debt applicable to debt margin	263,332,056
<b>Legal debt margin</b>	<b>\$518,579,027</b>

The pay-as-you-go program consists of temporary note repayment. Temporary notes may be used for projects, which may not qualify for tax-exempt bond status and therefore, are repaid with higher interest taxable bonds. Pay-as-you-go financing reduces future debt service requirements by retiring obligations following short-term financing.

The target fund balance is budgeted at five percent of budgeted expenditures. Projects that are under construction, but not finalized, have caused the reserve level to increase. As the unfinished projects are completed, the fund balance will be reduced to the target level.

## Revenue Assumptions

### Current property taxes...

- ✓ in 2004 will grow at eight and a half percent, slowing to four percent annually in 2005 and beyond. No change in the taxing rate is assumed.
- ✓ assume a ten mill levy for all years.

## **Delinquent tangible property tax...**

- ✓ (for prior years) is projected at two percent (historical average) of current property taxes levied.
- ✓ Payments in lieu of property tax (PILOT) are based on the City share of these payments from outstanding industrial revenue bonds.

## **Current special assessments (SAs)...**

- ✓ for 2003 and thereafter are the actual special assessments certified, less any advance or prepayments, as of December 31, 2002.
- ✓ assume a five percent delinquency rate.
- ✓ will change as new assessments are issued and as owners opt for advance payment of assessments.

## **Prepaid special assessments...**

- ✓ are from the City's payment schedules for these assessments, as of January 31, 2003.

## **Delinquent special assessments...**

- ✓ (for prior years) are estimated based on the historical relationship (three and a half percent) to total current and new special assessments.

## **Payments in lieu of special assessments (PILOSA)...**

- ✓ are developed by the Finance Department for GO/SA debt service paid directly by the Water, Sewer, and Airport utilities.

## **Utility delinquent special assessments...**

- ✓ are paid by the Water, Sewer and Storm Water utilities.
- ✓ are for unpaid general obligation assessments related to water and sewer projects.

## **New special assessment revenues...**

- ✓ are projected to cover debt service (principal and interest) payments for new special assessment projects, less five percent delinquency.
- ✓ relate to debt service payment schedule assumptions below, under "Expenditure Assumptions."

## **Motor vehicle property taxes...**

- ✓ are projected to grow two percent annually.
- ✓ are projected first as one total amount, then allocated to the General Fund and the Debt Service Fund.
- ✓ vary between the General and Debt Service Fund because of the state allocation formula, which relates to the prior (budget) year share of the current property tax levy for each fund.

## **Interest earnings...**

- ✓ are based on an assumed investment earnings rate (two and a half percent) relative to unencumbered fund balance and other total (current) revenues in the Debt Service Fund.

✓

## **City Hall parking/rent revenues...**

- ✓ are based on utilization of the City Hall parking facility pursuant to estimates provided by the Property Management division.

## **Transfers in...**

- ✓ from the Tourism and Convention Fund and the Tax Increment Financing Districts are based on debt service schedules for general obligation projects related to these funds.
- ✓ are based on actual payment schedules for current GO debt funded by property tax and special assessments.
- ✓ for local sales tax (LST) projects include the amounts for actual (current) debt service (principal and interest).
- ✓ support debt service for the previous sales tax bond issues in 1992 and 1996 for \$50 million and \$25 million, respectively.

---

## **Expenditure Assumptions**

### **(GO) general obligation debt service...**

- ✓ is based on actual payment schedules for current GO debt funded by property tax and special assessments.

### **GO/LST (local sales tax) debt service...**

- ✓ reflects the actual debt service schedule for current general obligation debt funded by the local sales tax.
- ✓ Includes projected future GO/LST debt service for freeway projects as approved in the 2002-2011 CIP.

### **Fiscal agent/other...**

- ✓ Represents an estimate of bond issuance costs based on 0.1 percent of debt service for all current GO (paid by property tax, SAs and LST).

### **Temporary note repayment...**

- ✓ represents a source available for pay as you go financing.
- ✓ fluctuates to maintain fund balance at five percent of annual expenditures.

### **New GO debt service paid from property tax...**

- ✓ is estimated as the principal and interest payments needed to fund approved and potential projects.

- ✓ assumes payments spread over a ten-year period at a 4.0 percent annual cost on outstanding principal.
- ✓ assumes commencement with one interest payment for six months of bond issuance, and principal payment beginning in the year following.

## New special assessment debt service...

- ✓ is estimated as the principal and interest needed for special assessment projects of \$12.4 million annually.
- ✓ assumes payments are spread over a 15 year period at a 4.0 percent annual cost on outstanding principal with one interest payment between six and 12 months after bond issuance, depending on certification to the County, and principal payments beginning in the year following.

## Fund balance (December 31)

- ✓ on December 31, 2003, is projected to be \$21,807,128 or 34.82 percent of fund expenditures.
- ✓ on December 31, 2004, is projected to be \$3,505,758 or 4.26 percent of fund expenditures.

## Debt Service Fund Budget Summary

	2002 Actual	2003 Adopted	2003 Revised	2004 Adopted	2005 Proposed
General Property Tax	21,701,218	22,170,480	22,170,480	23,819,230	24,770,960
Special Assessments	25,704,868	24,686,070	24,872,840	23,679,500	22,634,680
Motor/Recreational Vehicle Tax	3,535,429	3,508,490	3,535,430	3,606,140	3,678,260
Interest Earnings	2,233,962	500,000	1,000,000	1,000,000	500,000
Transfers In/T&C	2,396,280	2,408,560	2,514,510	1,894,570	1,916,350
Transfers In/TIF Districts	710,080	1,400,460	2,401,570	2,260,050	2,325,160
Transfers In/Other	10,683,033	6,666,560	7,869,660	7,771,020	7,670,580
<b>Total Debt Service Fund Revenue</b>	<b>66,964,870</b>	<b>61,340,620</b>	<b>64,364,490</b>	<b>64,030,510</b>	<b>63,495,990</b>
Existing Debt	52,294,372	44,606,090	52,086,580	50,965,880	47,387,770
Temporary Notes	984,314	12,965,000	10,550,000	27,240,000	8,920,000
New Debt	0	5,071,000	0	4,126,000	7,193,000
Appropriated Reserves	0	0	0	0	0
<b>Total Debt Service Fund Expenditures</b>	<b>53,278,686</b>	<b>62,642,090</b>	<b>62,636,580</b>	<b>82,331,880</b>	<b>63,500,770</b>
Revenue Over (Under) Expenditures	13,686,184	(1,301,470)	1,727,910	(18,301,370)	(4,780)
<b>Debt Service Fund Balance</b>	<b>20,079,218</b>	<b>3,000,263</b>	<b>21,807,128</b>	<b>3,505,758</b>	<b>3,500,978</b>



The Adopted 2002-2011 Capital Improvement Program (CIP) is presented to the City Council as a separate document. The program is a projection of infrastructure construction and reconstruction over the next decade.

The schedule of new capital projects represents the efforts of the City to address critical infrastructure needs based on evaluations of:

- need for new capital construction to support community growth and development;
- existing infrastructure reconstruction requirements;
- capital investments necessary to improve services to the public;
- coordination with available Federal and State grant funding; and
- local financing capabilities based on prior City Council policy determinations, including designated mill levy support (ten mills) and use of local sales tax revenues for freeways, as well as a limited amount for arterial streets and bridges.

**CIP Development and Capacity Forecasting.** The development of the CIP is coordinated by the CIP Administrative Committee, which includes senior staff from City departments. The process consists of:

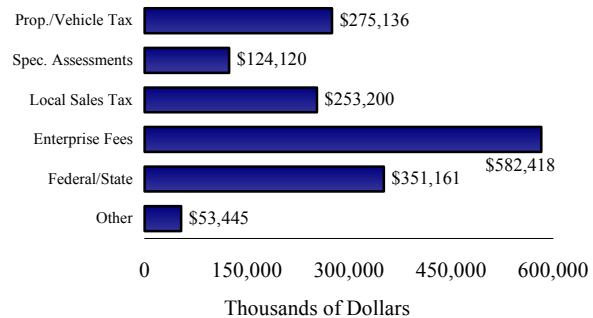
- confirmation of existing debt obligations and funding sources required to defray these costs;
- verification of open or outstanding capital projects which require future debt financing;
- projection of revenues and expenditures on a multi-year basis, first to meet existing debt obligations and then to project debt financing capacity for new capital project costs; and
- proposals for future capital project costs based on the past CIP and staff's understanding of City Council and community needs to the extent that those future project costs can be sustained given projections of the revenue stream and debt capacity.

**The Capital Improvement Program** - all debt service obligations for current capital projects and new projects approved for 2002-2011. The 2002-2011 CIP totals over \$1.6 billion over the ten-year period.

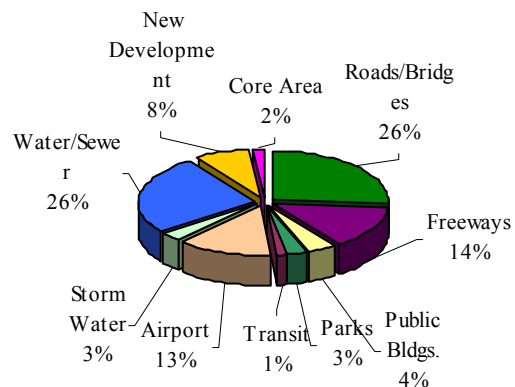
The City's capital program is diverse in meeting capital needs for new and reconstructed roadways, bridges, parks, public facilities, railroad grade separations, infrastructure for new residential development, downtown development, public transit and City enterprises (water, sewer, storm water, airport, and golf). The Capital Improvement Program includes 383 new projects over the next ten years.

The property tax provides 17 percent of the financial resources. Another significant revenue source is federal/state grants (21 percent of the total). New residential development capital costs are paid from special assessments (eight percent). The enterprise activities (water, sewer, storm water, airport and golf) fund capital projects through fees constituting 35 percent of total CIP resources. Local Sales Tax funding of 15 percent of the proposed CIP is based on a projection of freeway (Kellogg) construction segments in both east and west Wichita. Other revenue sources comprise the remaining 3 percent of CIP funding.

### Capital Improvement Program Revenues \$1,639,480,000

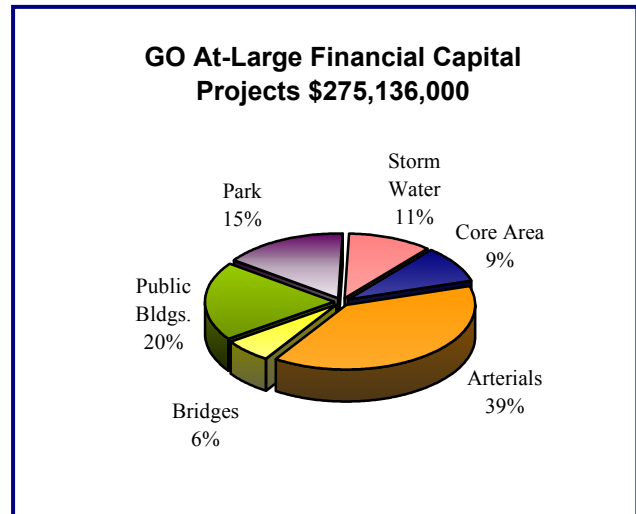


### Capital Improvement Program Expenditures \$1,639,480,000



The City finances capital projects in a variety of ways: general obligation bonds/notes, revenue bonds, grants and cash. The most significant of these is general obligation (GO) bonds based on the full faith and credit of the City. GO bonds provide debt financing for property tax funded projects, and also for capital projects with debt paid by enterprises such as Airport, Golf, and Storm Water and special revenues such as Guest Tax. Based on generally accepted accounting principles, debt service payments for GO debt are spread to the Debt Service Fund or the various enterprise and internal service funds, as appropriate.

The projects that rely primarily upon property taxes are arterial streets, bridges, parks, transit, core area projects and public buildings. Partial storm water funding with property tax backed GO bonds is continued in this program. Other capital project costs are funded through enterprise, internal service and special revenue funds.



## Highlights

**Arterials and bridges** account for 38 percent of at-large project costs and encompass 95 projects. Over \$105 million in at-large resources leverages over \$180 million in Federal and State grants. There is often a two to three year lead-time for grant funding, so it is critical that local funds be available as scheduled. Arterial street projects are balanced between the repair/improvement of older streets, and new construction to serve developing areas of the City.

**Park** projects total \$48,221,000, spread over 39 projects throughout the City. Funds for park renovation, new parkland acquisition and new park development are included. Park capital program highlights include developing the Northeast sports complex, rehabilitating Riverside Park, and significant investments in the maintenance and upgrade of existing parks.

**Public buildings** include 27 projects and \$54,174,000 in at-large resources. Other funding sources increase total planned public building expenditures to \$67,629,000. Major projects include the implementation of the Fire Station Construction and Relocation plan, a new National Guard Readiness Center, the Fire apparatus replacement program and expansion of the City's maintenance facilities.

**Core area** projects continue to demonstrate the City's commitment to the vitality of the downtown area. A total of

\$25.4 million is allocated for projects such as River Corridor improvements and additional cultural attractions in downtown.

**Transit** capital funding of \$23.1 million for bus and van replacements are planned using a combination of Transit revenues and Federal funds.

**Storm water** at-large funding totals \$29.3 million. Utility revenues and other sources fund an additional \$14.4 million in capital projects, with total category expenditures of \$49.6 million. Major projects include drainage improvements along West St. between Maple and Central, implementation of Cowskin/Calfskin Creek basin improvements and enlarging and lining the Wichita Drainage Canal north from 10th Street to 17th Street.

A number of other capital project categories are financed primarily through non-property tax backed sources. Enterprise revenues, local sales tax dollars, or State and Federal grant dollars are the primary financing sources for these projects.

**Freeways** consist of more than \$233 million in projects over the next seven years with 65 percent funded by a one percent local sales tax (LST). The freeway program emphasizes construction of interchanges along the U.S. 54 (Kellogg) corridor. It calls for construction of interchanges at Woodlawn, Tyler, Maize and Rock Road by 2005. Funding for right-of-way purchases are included for future interchanges at Webb and Greenwich in East Wichita and at 119<sup>th</sup>, 135<sup>th</sup>, and 151<sup>st</sup> Streets in West Wichita. Without outside funding assistance, the projects at Webb, Greenwich and 119<sup>th</sup> to 151<sup>st</sup> will not be constructed.

The **Airport** CIP consists of 40 projects totaling \$215 million, funded by Airport revenues (\$131 million) and Federal funds (\$82 million). Projects are identified for Mid-Continent and Jabara airports. Major projects include a parking structure at Mid-Continent and reconstructed aprons and taxiways.

The **Water and Sewer Utility** has projects programmed for extension of services to far west and far northeast Wichita to accommodate growth in these sectors. The Water capital plan totals \$255 million. In particular, over \$70 million is programmed for improved transmission facilities throughout the system. Additionally, a second water treatment plant is planned, to be located in northwest Wichita. Expenditures of more than \$106 million are anticipated for developing additional water supplies for Wichita. Water system upgrades are planned as well, such as repairs to the 48" and 66" raw water lines that flow into the water treatment plant. Without these repairs, the system risks pressure problems and property damage due to main breaks that result in pipeline failure.

Planned Sewer capital projects total \$173 million. Highlights of the Sewer CIP include the construction of a new sewage

treatment plant in northwest Wichita, the collection system necessary to accommodate the plant, and improvements to existing treatment plant #2. A major investment is also a sewer main replacement program (\$39.5 million) to reconstruct an aging infrastructure.

Implementation of the Water and Sewer capital projects plans will require utility rate increases. Staff is working to ensure these increase are as low as possible while still able to pay for the required system enhancements.

## Conclusion

The Capital Improvement Program is a diligent effort to reflect the desires of the Council and the citizens of Wichita. Not all projects are funded, but the CIP does prioritize needs in the community such as:

- accelerating the construction of Kellogg;
- implementing the Fire Station Construction/Relocation plan approved by the Council;
- developing a future water supply;
- building a new National Guard Readiness Center;
- consolidating maintenance operations through improvements at the Central Maintenance Facility;
- increasing emphasis on building new drainage systems to eliminate flooding;

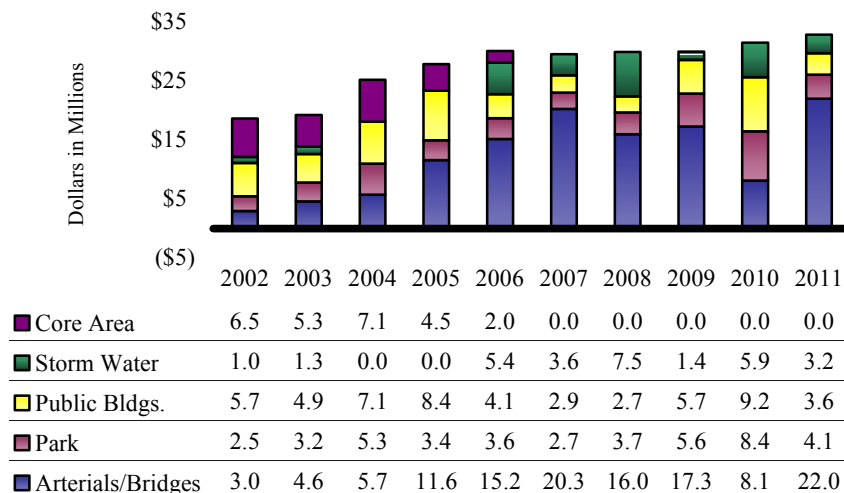
- developing additional parking downtown;
- enhancing the City's cultural museums;
- rehabilitating existing parks, constructing new sports complexes and constructing new parks.

However, not all needs could be met:

- The local sales tax, by itself is not sufficient to construct all segments of the planned freeway system.
- Storm Water projects are below critical needs projections, despite the addition of at-large funding.
- Funding is included for only one bridge over the floodway in west Wichita. Constructing more than one crossing would require that additional funds be identified.
- Funding for several major new parks is not included beyond preliminary design.
- Other capital requests in all categories could not be scheduled within the ten-year CIP.

The City Council has adopted the 2002-2011 Capital Improvement Program and approved the 2002-2003 CIP as a capital budget for purposes of project initiation. The 2002-2003 CIP is a very aggressive capital budget, totaling over \$581 million, but when implemented, the community will be better served by the policy decisions reflected in this document.

## GO At-large Capital Project Expenditures by Year

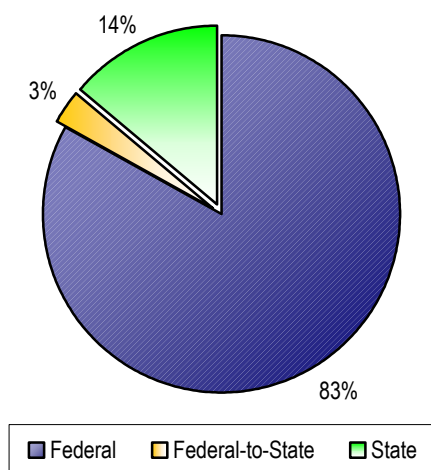


The core purpose of the City's federal and state grant programs is to secure state and federal resources to support the strategic goals of the City in a manner consistent with the goals of the programs and/or agencies providing the grant funding.

## Overview

Federal and State grants support a wide variety of City programs and services for citizens. The City Manager oversees grant funded activities, as well as locally funded activities under the direction of the City Council. City staff strive to improve service delivery by expanding program participation and enhancing the nature and scope of services provided. Strong effort and good results are often recognized in the form of increased grant funding as the programs move to an outcomes-based focus.

**Grant Funding by Source:  
2003 Budget**



City departments are encouraged to seek funding for new programs and enhancements to existing programs. In 2002, an Internet based software application was introduced that taps into the databases that list grants available from federal agencies, state governments and their agencies, and private foundations. Weekly departments are notified electronically of new grants opportunities, and extension of existing grants opportunities, so the opportunities may be researched and application made where relevant.

The Finance Department provides oversight and support for the various grants administered by the City. The Grants-in-Aid Coordinator assists City departments in proposing grant-funded activities to the City Council, and also assists the City Council in evaluating and submitting applications for grant assistance. After grants are approved by the sponsoring agencies and the City Council, the Grants-in-Aid Coordinator provides ongoing

oversight and assistance for the activities. Services are provided in accordance with program guidelines, City policies and all applicable Federal and State laws and regulations.

Other Finance staff provide assistance to grant programs as well. The Budget Office evaluates and monitors the fiscal aspects of grant programs, providing ongoing financial oversight as grant activities progress. Budget staff analyze and approve grant budgets, both at the time of initiation and as grant budgets are modified to meet changing needs and realities. The Controller's Office provides general accounting services to grant programs, including processing vouchers, issuing checks, and ensuring that grant financial activities are conducted in accordance with applicable accounting standards and practices.

Grant assistance is not all self-sufficient. Often local participation in the form of cash or in-kind contributions is required. In addition, many grant programs stipulate limitations or full prohibitions on funding for program management staff and oversight, requiring the City to provide staff and other supporting resources from local funding sources. City staff carefully scrutinize each grant program to ensure that this give-and-take relationship results in a net benefit to target populations and the City as a whole.

## Health and Social Services.

The **Environmental Health** Department receives grants from the Kansas Department of Health and Environment (KDHE) and the Environmental Protection Agency (EPA) for programs that protect the local environment. The grants are targeted at protection of air and water quality and fund seven full time positions. The grants help pay for environmental testing and monitoring activities designed to identify and assess pollution threats to local air and water resources.

The Health Department utilizes EPA Brownfield funding to conduct environmental site assessments to determine the presence or absence of environmental pollutants. The term 'Brownfield' refers to abandoned or under-utilized industrial and commercial sites where expansion or redevelopment is complicated by real or perceived environmental contamination that can add cost, time and uncertainty to the value of a redevelopment project.

The EPA also funds the Arkansas River water quality study. The project assesses the water in the lower Arkansas River focusing on pollution sources that diminish the quality of the water and the impact upon the river and its users. Ultimately, and as a result of the study, preventive measures will be developed to improve the quality of the river water for the benefit of future generations.

The State of Kansas contracts with Environmental Health to administer the Child Care Licensure program. Activities include



conducting assessments for initial licensure and license renewal, follow-up inspections of providers, and investigation of complaints about providers. In any given month, the staff of eight conduct and document up to 300 site visits, investigate an average of 35 complaints, and provide orientation to approximately 100 prospective providers. In addition, the staff provide outreach services to the community and respond to approximately 800 inquires on child care monthly.

The **Housing Services** Department receives funding through the U.S. Department of Housing and Urban Development (HUD), Housing and Human Services, and the Kansas Department of Commerce & Housing (KDOCH). Grant-funded activities include housing and rental assistance through the Wichita Housing Authority (WHA); homeownership assistance through the HOME program; and homeless shelter services provided through the HUD Emergency Shelter Grant and the Kansas Emergency Shelter Grant programs.

Approximately \$500,000 is allocated annually for assistance to first time homebuyers, \$300,000 for homeowner rehabilitation, and \$350,000 for affordable housing development activities to be carried out by non-profit community housing development agencies, such as Mennonite Housing and Power CDC. Home funding is also allocated for the Housing Development Loan Program, a program that can be utilized by non-profit or for-profit developers to provide gap financing for single-family or multi-family housing development projects. In all cases, HOME funds must be used for projects that provide housing for families meeting income criteria.

HOME funds leverage more than \$1,600,000 annually in private loan activity for low-and-moderate-income homeownership through the City's homebuyer assistance program. The grant funding administered by Housing Services in connection with this program, provides low- and moderate-income homebuyers with zero interest mortgage loans for down payments, closing costs and minor rehabilitation or repairs. The funding is also utilized to provide existing homeowners with loans for home repairs/rehabilitation required to bring homes up to acceptable living standards. Both programs operate in targeted investment areas. In addition, under the HUD Section 5(h) program, single-family WHA Public Housing units will be offered for sale to their residents and other low-income persons. Also qualifying Section 8 recipients may purchase homes and apply their monthly rental assistance toward mortgage loan payments under a program implemented by Housing Services.

The **Career Development Office** utilizes funding from the U.S. Department of Labor and the U.S. Department of Health and Human Services for job training, placement and employment assistance programs. Adult and youth programs funded under the Department of Labor's Workforce Investment Act (WIA) and the Welfare to Work program (WTW) are available to citizens in a six county region, which includes Sedgwick, Butler, Cowley, Harper, Kingman and Sumner counties.

The Workforce Investment Act is available to all adults in a legal work status. Adult services begin with an assessment of readiness for the labor market, then job search assistance and services designed to meet the needs of the individual customer. Youth services are available to low-income, at-risk youth and include a broader range of options responsive to the more serious needs of the target group. Grant funding for WIA services is approximately \$1.8 million annually.

Services available under WTW are similar to those in WIA, however services are limited to welfare recipients and low-income individuals. The Welfare to Work (WTW) program received funding within the legislation for Temporary Assistance to Needy Families in 1998 and 1999. Congress has made not additional allocations after the first two years of operation of the Welfare to Work program and it is not certain at this time whether the Temporary Assistance to Needy Families federal legislation will include a Welfare to Work component in its reauthorization. The original allocation of \$4.3 million will be exhausted by the first half of 2004.

Eight Employment Specialists provide direct services under the WTW and WIA programs. The Employment Specialists serve as case managers, working individually with clients from the first contact through job placement and retention. To maintain productive caseload limits for the Specialists, case management services for additional customers are purchased from local agencies on a fee for service basis.

Career Development also administers the Community Services Block Grant from the US Department of Health and Human Services. The current annual budget of one million funds operations for four of the Neighborhood City Halls, prescription drugs for Project Access patients, neighborhood clean-ups, and the Park Department's Summer of Discovery Program. The funds supplement the WIA and WTW programs which have limitations on administrative costs.

**Public Safety.** The City of Wichita Police Department and Municipal Court administer grants provided by the Bureau of Justice Assistance (BJA) for the purpose of enhancing public safety. The grant funded programs relate to hiring of new public safety staff, purchases of crime-fighting equipment, and safe and drug-free schools. Currently approximately \$500,000 is received annually for such activities, approximately half of the funding received in past years.

**Planning, Transportation and Infrastructure.** The City of Wichita receives grants from the Federal Transportation Administration (FTA), the Kansas Department of Transportation (KDOT), and HUD (through the Community Development Block Grant program (CDBG)). The grants provide assistance in comprehensive community planning; development of public transportation systems; and street, sidewalk, and other infrastructure improvements in targeted areas.

Utilizing funding from the Kansas Department of Commerce and Housing (KDOCH), the Metropolitan Area Planning Department has completed several neighborhood sector plans and is continuing a visioning process with neighborhood residents in the various areas of the City. The plans help define neighborhood revitalization/conservation needs and priorities.

The FTA assists Wichita Transit in financing transit planning and administrative support activities, vehicle maintenance, and special services. In 2004, approximately 80 percent of vehicle maintenance costs will be funded through an FTA grant. The FTA also provides funding for capital improvements, including vehicle and maintenance equipment, replacement buses, para-transit vans for transporting physically challenged citizens, benches, shelters, and technology needs. On the state side, the Kansas Legislature adopted a comprehensive transportation plan in 1999 to assist with growing public transportation needs and costs. The resulting funding from KDOT has been directed to both capital needs and enhanced service.

The Public Works Department receives CDBG funding to support contracted improvements to public and neighborhood facilities and infrastructure. Examples include street improvements, sidewalk repair and enhancements and public facility improvements to accommodate disabled citizens. All of the activities are targeted toward low- and moderate-income citizens and areas of the City.

The Health Department utilizes CDBG funds to conduct inspections of properties in targeted areas that are violating housing and health standards. The efforts strive to maintain attractive and safe neighborhoods.

The Federal Aviation Administration (FAA) provides grant funding to support the capital needs of the Wichita Mid-Continent and Jabara Airport facilities. The funds are supplemented by a Passenger Facility Charge (PFC) of \$3 on each enplaning passenger. The FAA recently granted permission to continue the PFC program through 2004.

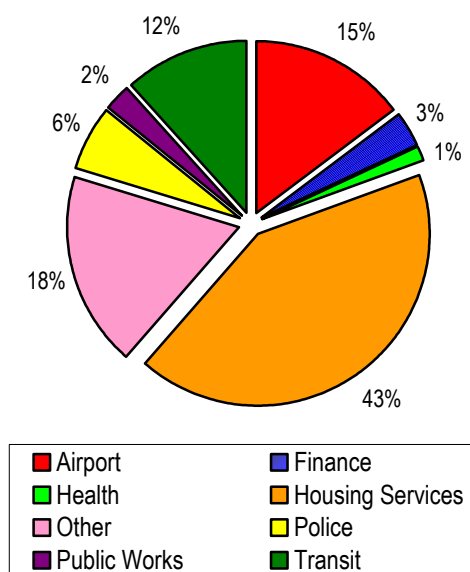
**Culture.** The Wichita Public Library receives grants from the Kansas State Library System (KSLS) and the South Central Kansas Library System (SCKLS). KSLS grants provide funding for staff members, library materials, office supplies, and computer support. Programs funded include development of the Interlibrary Loan system; special services for blind and physically disabled library patrons; and grants-in-aid for discretionary use as designated by the Wichita Public Library. The SCKLS funds staff and library materials in support of cooperative library programs throughout South Central Kansas. Overall, grants provide funding for ten full time equivalent Library employees.

The City Manager's Office receives Community Development Block Grant (CDBG) funding to support citizen involvement and outreach programs, neighborhood assistance/improvement services, and neighborhood community centers. The City

strives to improve public participation in the community decision-making process for a collaborative approach to solve community problems and target community needs.

The Finance Department receives CDBG funding, primarily for oversight and administration of CDBG programs. In addition, CDBG funding provides for economic development activities in program-targeted investment areas. The activities seek to expand local economic development and opportunities in areas of the City where development has stagnated or declined.

**Grant Funding by Department:  
2003 Budget**



*Note: figure includes grant budget in the 2003 calendar year (Jan. 1 – Dec. 31). Most federal and state grants operate under fiscal years that do not correspond to the calendar year.*



## CELEBRATING 100 YEARS OF FLIGHT

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### **“Pink Birdie in Paradise”**

**Artist:** April and Dave Scott  
**Where:** 4729 S. Palisade  
(Broadway & 47<sup>th</sup> St. S.)  
**Sponsor:** Royal Caribbean Cruises,  
LTD. and Wilson Building  
Maintenance, Inc.  
**Benefits:** Communities in Schools

### **“Trans Global Expression”**

**Artist:** Jennie Becker  
**Where:** Jabara Airport  
3512 N. Webb Rd.  
(Webb Rd. & K-96)  
**Sponsor:** Midwest Corporate Aviation  
**Benefits:** Kansas Aviation Museum



**Calculating the City mill levy requirement.** A mill is \$1 of tax for every \$1,000 of assessed value on real and personal property. The mill levy is recalculated every year and is based on the tax dollars needed for financing the City budget.

First, the City (the taxing district) arrives at a total amount for expenditures in the taxing funds. In Wichita these funds are the General Fund and the Debt Service Fund. After expenditure totals are known, all other revenue sources (non-property taxes and fees) are subtracted. The remainder is the amount to be raised from ad valorem (property) taxes.

The tax levy rate is calculated by dividing the total revenue to be obtained from property taxes (with an allowance for projected delinquencies) by the total estimated assessed value for the taxing district. The table below shows the estimated 2003 tax year rates, which are used to finance the 2004 budget.

Total General Fund 2004 Budget	\$160,089,470
Less: Non Property Tax Revenue	<u>\$109,503,250</u>
Equals: Amount to be levied (including delinquencies)	\$53,815,120
Divided by: Total Assessed Valuation	<u>\$2,463,498,706</u>
Equals: General Fund mill levy	21.845

The assessed value used to calculate the mill levy is based on the market value (as determined by the County Appraiser's Office) times the classification rate provided by Article 11, Section 2 of the Kansas State constitution. The classification rates vary based on type of property.

State of Kansas Assessment Rates	
Residential	11.5%
Commercial	25%
Non-Profit Real Estate	12%
Public Utility	33%
Vacant Lot	12%
Agricultural Use	30%
All Other	30%
Source: Kansas State Constitution, Article 11, Section 2	

For example, a Wichita home owner with a house valued at \$100,000 would have an assessed value on that home of \$11,500 (\$100,000 times 11.5%, or \$11,500). A City residential property owner will pay taxes to support the City operating budget based on the market value of the owner's property, times the assessment ratio (11.5% for residential property), times the General Fund tax levy rate (mills divided by 1,000), as illustrated in the example below.

Property valuation	\$100,000
Times: Assessment ratio	.115
Equals: Assessed valuation	\$11,500
Times: City mill levy (divided by 1,000)	.021845
Equals: Total City GF property taxes due	\$251.22

Based on the calculations, a home valued at \$50,000 would owe \$125.61 in annual General Fund property taxes for the City of Wichita; the owner of a \$150,000 home would owe \$376.83.

Residents in Wichita pay property taxes to generally to four other entities: the School District, Sedgwick County, the State of Kansas, and Wichita State University (indirectly, levied by the County). As shown below, the City of Wichita levy generally represents slightly more than one quarter of the total property tax levy. For the illustration below, USD # 259 is shown. The majority of which homes are in USD 259, although seven other districts also levy taxes on Wichita homeowners.

Entity	Tax Levy Rate	Percent of Total
City of Wichita	31.905	28%
Sedgwick County	27.317	24%
WSU (through Sedg. County)	1.500	1%
State of Kansas	1.500	1%
School District (USD 259)	<u>51.408</u>	<u>46%</u>
Total Levy	113.630	100%

Tables on the following pages include levies for the past 12 years for Wichita taxpayers, and a comparison of the City of Wichita levy to other Kansas first class cities.



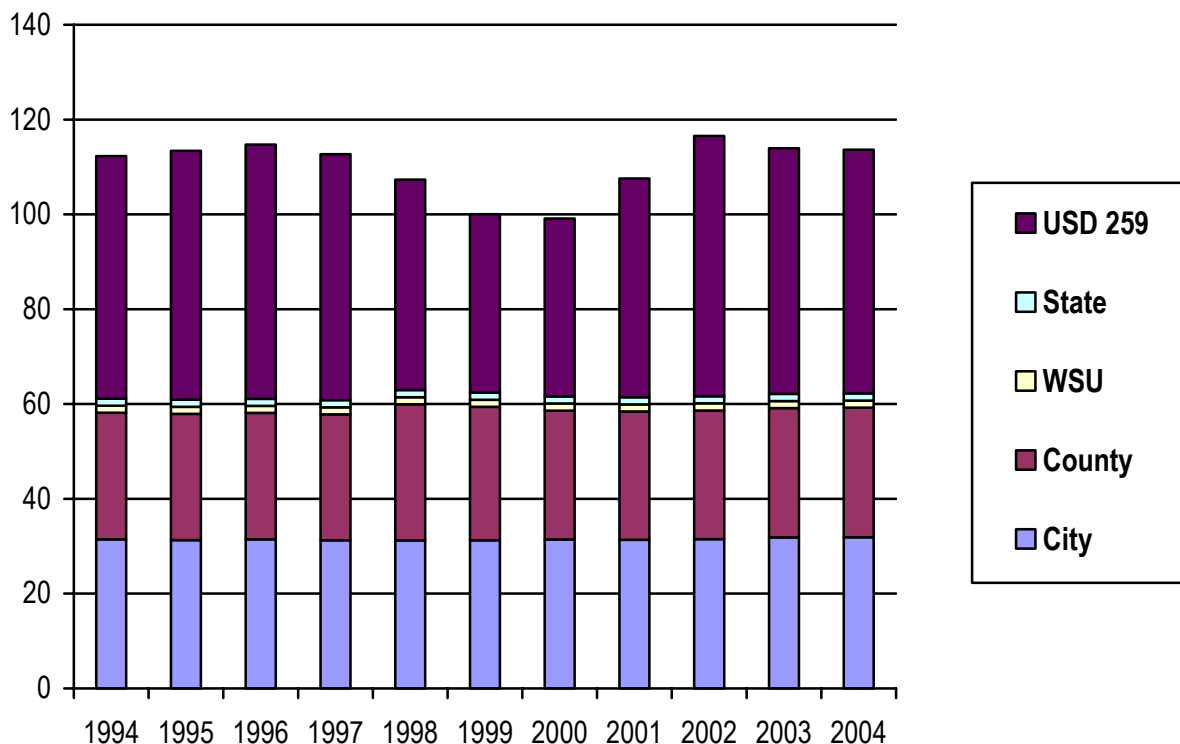
**Components of the Total Mill Levy For Wichita Residential Property Owner  
1994 Through 2004**

**2003 Taxes for the 2004 Budget**

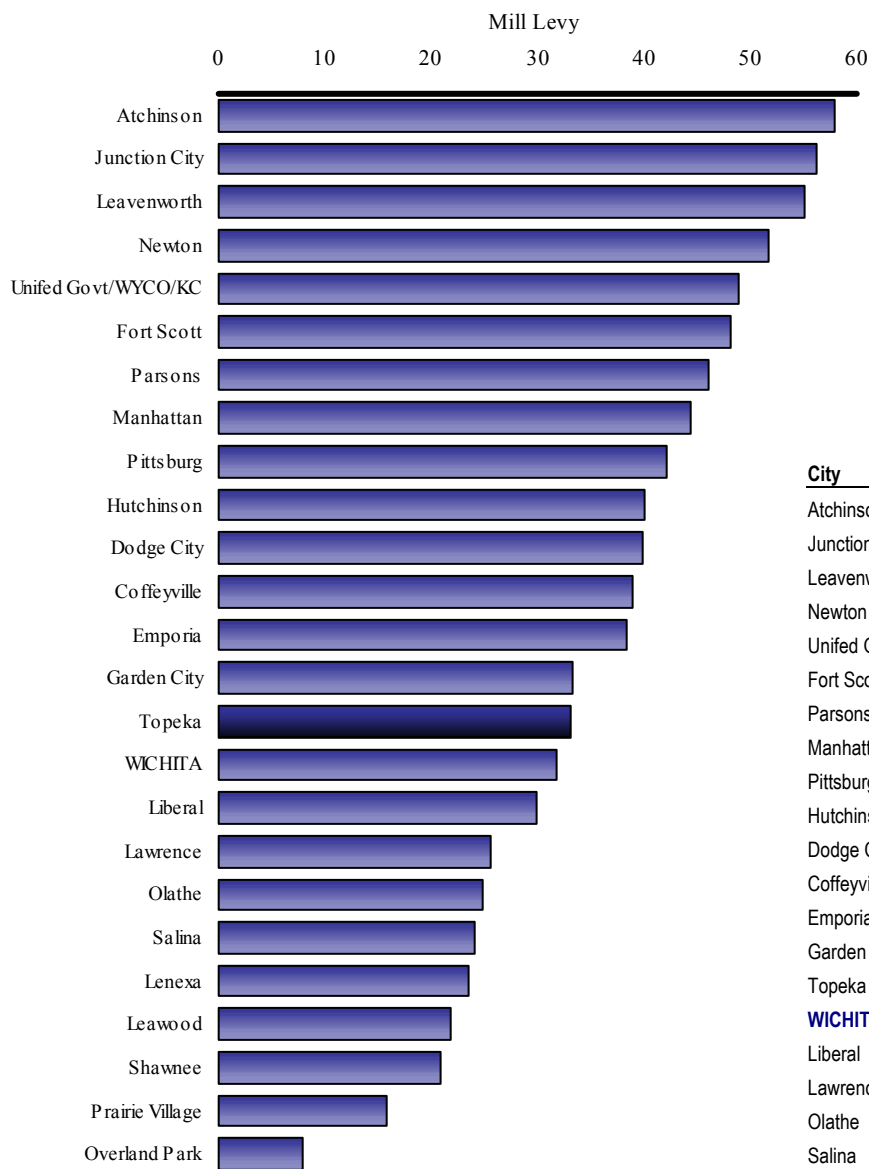
Budget Year	City	County	WSU	State	USD 259	Total
1994	31.472	26.666	1.500	1.500	51.143	112.281
1995	31.290	26.622	1.500	1.500	52.508	113.420
1996	31.443	26.660	1.500	1.500	53.609	114.712
1997	31.247	26.561	1.500	1.500	51.874	112.682
1998	31.225	28.717	1.479	1.500	44.383	107.304
1999	31.253	28.138	1.500	1.500	37.636	100.027
2000	31.406	27.199	1.500	1.500	37.526	99.131
2001	31.359	27.057	1.543	1.500	46.163	107.622
2002	31.474	27.154	1.500	1.500	54.926	116.554
2003	31.845	27.276	1.500	1.500	51.839	113.960
2004	31.905	27.317	1.500	1.500	51.408	113.630

Tax levies based provided by on the Sedgwick County Clerk.

**Components of the Total Mill Levy for Wichita Residential Property Owner  
1994 – 2004**



## Mill Levies of Kansas First Class Cities



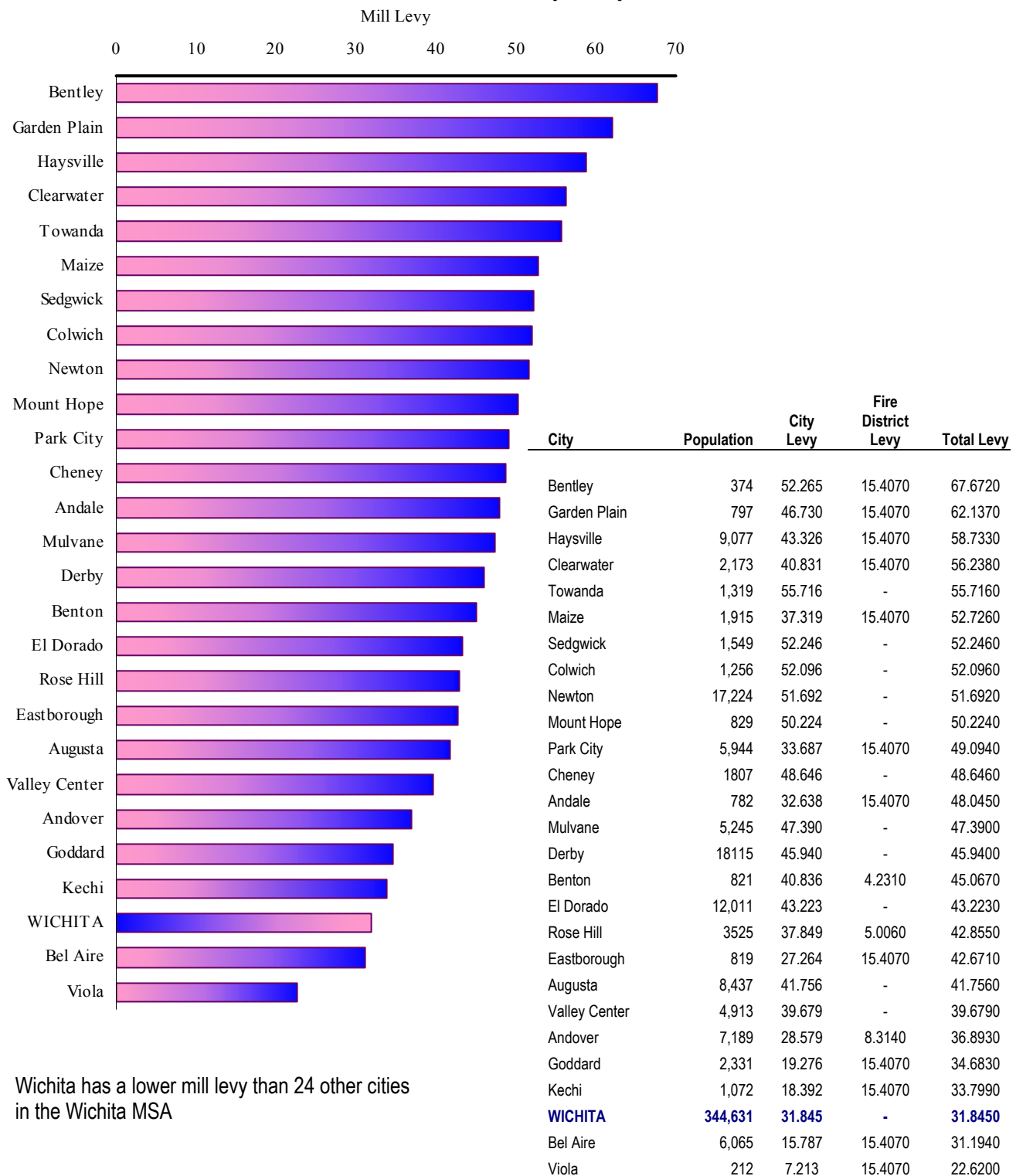
Wichita has a lower mill levy than 15 of the 24 first class cities in Kansas. The ten cities with a lower mill levy than that of Wichita all impose a local city sales tax in addition to the local county sales tax.

City	2002 Population	2002 City Mill Levy
Atchinson	10,140	57.975
Junction City	18,063	56.329
Leavenworth	35,652	55.075
Newton	17,224	51.692
Unifed Govt/WYCO/KC	146,218	48.925
Fort Scott	8,261	48.111
Parsons	11,384	46.077
Manhattan	42,960	44.388
Pittsburg	19,067	42.205
Hutchinson	40,349	40.008
Dodge City	25,049	39.903
Coffeyville	10,728	38.964
Emporia	26,469	38.397
Garden City	7,984	33.269
Topeka	121,885	33.129
<b>WICHITA</b>	<b>344,631</b>	<b>31.845</b>
Liberal	19,562	29.854
Lawrence	79,979	25.563
Olathe	96,518	24.763
Salina	45,729	24.092
Lenexa	40,787	23.575
Leawood	28,141	21.820
Shawnee	50,971	20.835
Prairie Village	21,962	15.744
Overland Park	154,450	7.847

Source: Kansas Tax Rate & Fiscal Data Book, League of Kansas Municipalities, March 2003

Note: 2003 mill levy data for all cities was not available at time of publication.

## Mill Levies of Cities in the Wichita Metropolitan Statistical Area 2002 Total City Levy



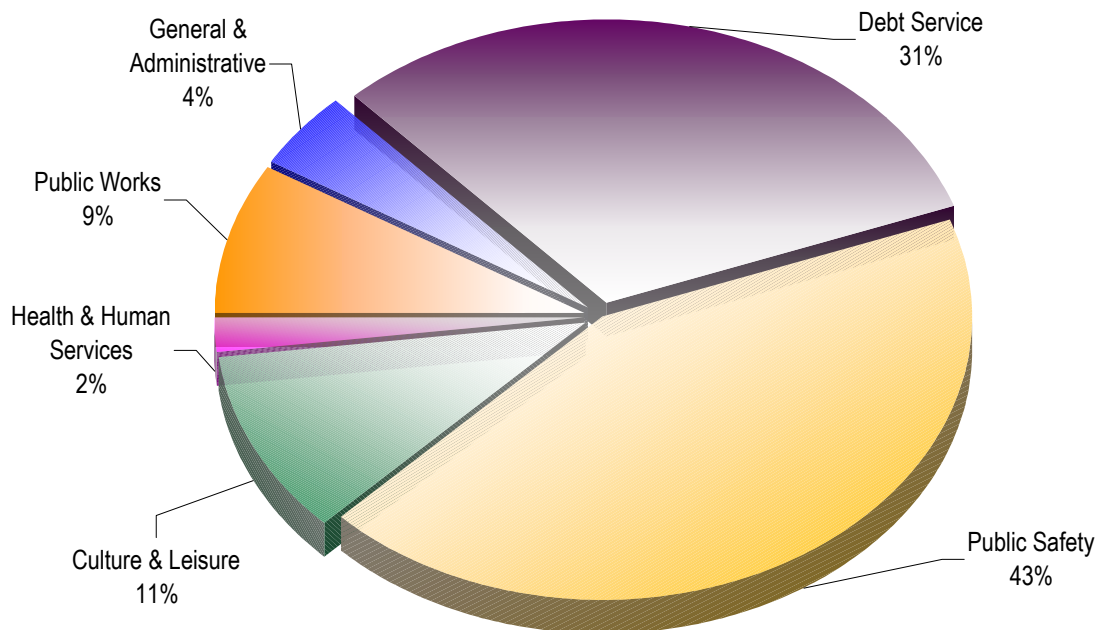
Wichita has a lower mill levy than 24 other cities in the Wichita MSA

Note: 2003 mill levy data for all cities was not available at time of publication.

Source: Kansas Tax Rate & Fiscal Data Book, League of Kansas Municipalities,

March 2003. Fire District Source: County Clerk, Sedgwick and Butler County.

## Total City Tax Support by Function



## 2004 Funding Sources for General Fund Budgets, presented by function

Funding Source	Public Safety	Public Works/ Transportation	Culture and Recreation	Health and Human Services	Administration and General	Total
<b>Current property taxes:</b>						
Dollars (1000's)	\$ 31,822,529	\$ 6,356,430	\$ 7,777,470	\$ 1,332,379	\$ 3,297,413	\$ 50,586,220
Percent of budget	36%	19%	32%	33%	31%	32%
<b>Other general funding:</b>						
Dollars (1000's)	45,916,520	8,442,011	10,329,300	1,769,546	3,312,933	\$ 69,770,310
Percent of budget	53%	25%	43%	44%	32%	44%
<b>Department-generated:</b>						
Dollars (1000's)	9,489,990	19,457,780	5,942,040	943,870	340,740	\$ 36,174,420
Percent of budget	11%	57%	25%	23%	3%	23%
<b>Administrative charges:</b>						
Dollars (1000's)	0	0	0	0	3,558,520	\$ 3,558,520
Percent of budget	0%	0%	0%	0%	34%	2%
<b>Total funding</b>	<b>\$ 87,229,039</b>	<b>\$ 34,256,221</b>	<b>\$ 24,048,810</b>	<b>\$ 4,045,795</b>	<b>\$ 10,509,606</b>	<b>\$ 160,089,470</b>



# CITY OF WICHITA

The property tax subsidy is the amount left after all other revenue sources are allocated and subtracted. Other revenues include those directly generated by the department, administrative services provided to non-General Fund departments, and general sources (for example, franchise fees and local sales tax).

By Department	2004 ADOPTED BUDGET		Tax support	Tax support	Tax support
	Property Tax Subsidy	Total Property Tax Levied (\$)*	by owner of home valued at \$50,000	by owner of home valued at \$75,000	by owner of home valued at \$100,000
Police	19,756,150	21,017,200	\$49.06	\$73.58	\$98.11
Fire	11,265,790	11,984,880	\$27.97	\$41.96	\$55.95
Public Works & Flood Control	4,874,510	5,185,640	\$12.10	\$18.16	\$24.21
Park	4,751,150	5,054,410	\$11.80	\$17.70	\$23.59
Library	2,476,370	2,634,430	\$6.15	\$9.22	\$12.30
City-County Health & Animal Control	1,332,380	1,417,430	\$3.31	\$4.96	\$6.62
Transit	1,481,930	1,576,520	\$3.68	\$5.52	\$7.36
Nondepartmental	1,240,470	1,319,650	\$3.08	\$4.62	\$6.16
Finance	929,290	988,610	\$2.31	\$3.46	\$4.61
General Government	481,710	512,450	\$1.20	\$1.79	\$2.39
Municipal Court	469,620	499,590	\$1.17	\$1.75	\$2.33
Art Museum	549,960	585,060	\$1.37	\$2.05	\$2.73
Law	330,940	352,060	\$0.82	\$1.23	\$1.64
Planning	282,030	300,030	\$0.70	\$1.05	\$1.40
City Council	242,670	258,160	\$0.60	\$0.90	\$1.21
City Manager	121,250	128,990	\$0.30	\$0.45	\$0.60
<b>General Fund</b>	<b>\$50,586,220</b>	<b>\$53,815,110</b>	<b>\$125.61</b>	<b>\$188.41</b>	<b>\$251.22</b>
<b>Debt Service Fund</b>	<b>\$23,156,890</b>	<b>\$24,634,990</b>	<b>\$57.50</b>	<b>\$86.25</b>	<b>\$115.00</b>
<b>TOTAL CITY TAX BILL</b>	<b>\$73,743,110</b>	<b>\$78,450,100</b>	<b>\$183.11</b>	<b>\$274.66</b>	<b>\$366.22</b>

## By Function

Public Safety	31,822,530	33,853,760	\$79.02	\$118.53	\$158.03
Public Works/Transportation	6,356,430	6,762,160	\$15.78	\$23.68	\$31.57
Culture and Recreation	7,777,470	8,273,900	\$19.31	\$28.97	\$38.62
Health and Human Services	1,332,380	1,417,430	\$3.31	\$4.96	\$6.62
Administration and General	3,297,410	3,507,880	\$8.19	\$12.28	\$16.38
<b>General Fund</b>	<b>\$50,586,220</b>	<b>\$53,815,130</b>	<b>\$125.61</b>	<b>\$188.41</b>	<b>\$251.22</b>
<b>Debt Service Fund</b>	<b>\$23,156,890</b>	<b>\$24,634,990</b>	<b>\$57.50</b>	<b>\$86.25</b>	<b>\$115.00</b>
<b>TOTAL CITY TAX BILL</b>	<b>\$73,743,110</b>	<b>\$78,450,120</b>	<b>\$183.11</b>	<b>\$274.66</b>	<b>\$366.22</b>

\* The total levy includes a delinquency allowance of 6 percent. The City levy, expressed in mills, is estimated at 31.845 (General Fund and Debt Service Fund). It is based on an assessed valuation of \$2.463 billion.

<b>Consumer Price Index</b>	<b><u>Rate</u></b>
<b>Reported Change from December 2001 to December 2002</b>	
US City average	1.6%
Midwest urban cities	1.2%
<b>Projected Change from December 2002 to December 2003</b>	
US City average	2.2%
Source: <sup>1</sup> U.S. Department of Labor	
<sup>2</sup> Congressional Budget Office	

<b>Wichita MSA Selected Economic Indicators</b>	<b><u>Rate</u></b>
<b>Projected Percent Change December 2002 to December 2003</b>	
Total employment growth	-.3%
Manufacturing employment	-2.3%
Other employment	.5%
<b>Projected annual average change 2004 – 2008</b>	
Total employment	1.3%
Manufacturing employment	2.1%
Source: Wichita State University Center for Economic Development and Business Research (CEDBR)	

<b>City of Wichita Financial Projections Selected Economic Indicators</b>	<b><u>Rate</u></b>
Actual growth in 2002 assessed valuation (for the 2003 budget year)	4.2%
Average annual growth in assessed valuation 2004 – 2008	4.8%
Average annual growth in local sales, 2004 – 2008	
Average annual increase in revenues from rentals and user fees, 2004 – 2008	2.55%
Average annual increase in total General Fund expenditures, 2004 – 2008	3.8%
Estimated interest earnings from cash flow and funds balances, 2003	2.1%

## COMPARISON OF HEADCOUNT, FULL-TIME AND FULL-TIME EQUIVALENTS (LOCALLY FUNDED)

	2002 ACTUAL			2003 REVISED			2004 ADOPTED		
	Hdcnt	FT	FTE	Hdcnt	FT	FTE	Hdcnt	FT	FTE
<b>GENERAL FUND</b>									
<b>City Council</b>	<b>10</b>	<b>10</b>	<b>10.00</b>	<b>10</b>	<b>10</b>	<b>10.00</b>	<b>10</b>	<b>10</b>	<b>10.00</b>
<b>City Manager</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>
General Government									
Personnel	17	17	17.00	17	17	17.00	17	17	17.00
Clerk's Office	3	2	2.75	4	3	3.75	3	3	3.00
Administrative Services	17	16	16.50	12	12	12.00	12	12	12.00
<b>Total General Government</b>	<b>37</b>	<b>35</b>	<b>36.25</b>	<b>33</b>	<b>32</b>	<b>32.75</b>	<b>32</b>	<b>32</b>	<b>32.00</b>
Department of Finance									
Director's Office	10	10	10.00	10	10	10.00	10	10	10.00
Financial Management									
Accounting	15	15	15.00	14	14	14.00	14	14	14.00
Purchasing	9	9	9.00	10	10	10.00	10	10	10.00
Treasury									
Treasury Office	19	17	18.25	19	17	18.25	19	17	18.25
Debt Management	6	6	6.00	6	6	6.00	6	6	6.00
Community Relations	1	1	1.00	1	1	1.00	0	0	0.00
<b>Total Department of Finance</b>	<b>60</b>	<b>58</b>	<b>59.25</b>	<b>60</b>	<b>58</b>	<b>59.25</b>	<b>59</b>	<b>57</b>	<b>58.25</b>
<b>Law Department</b>	<b>27</b>	<b>25</b>	<b>25.50</b>	<b>24</b>	<b>23</b>	<b>23.25</b>	<b>24</b>	<b>23</b>	<b>23.25</b>
Municipal Court									
Clerk's Office	81	54	57.00	80	53	56.00	80	53	56.00
Probation Office	20	16	17.00	18	16	16.50	18	16	16.50
<b>Total Municipal Court</b>	<b>101</b>	<b>70</b>	<b>74.00</b>	<b>98</b>	<b>69</b>	<b>72.50</b>	<b>98</b>	<b>69</b>	<b>72.50</b>
Fire Department									
Administration/Prevention	24	24	24.00	23	23	23.00	23	23	23.00
Operations	354	354	354.00	354	354	354.00	374	374	374.00
<b>Total Fire Department</b>	<b>378</b>	<b>378</b>	<b>378.00</b>	<b>377</b>	<b>377</b>	<b>377.00</b>	<b>397</b>	<b>397</b>	<b>397.00</b>
Police Department									
Field Services Bureau	514	514	514.00	508	508	508.00	508	508	508.00
Investigations Bureau	165	165	165.00	161	161	161.00	161	161	161.00
Support Services Bureau	153	149	151.00	154	150	152.00	154	150	152.00
<b>Total Police Department</b>	<b>832</b>	<b>828</b>	<b>830.00</b>	<b>823</b>	<b>819</b>	<b>821.00</b>	<b>823</b>	<b>819</b>	<b>821.00</b>
<b>Library</b>	<b>133</b>	<b>84</b>	<b>108.50</b>	<b>138</b>	<b>87</b>	<b>112.30</b>	<b>138</b>	<b>87</b>	<b>112.30</b>
Public Works									
Administration	4	4	4.00	4	4	4.00	4	4	4.00
Natural Resources	2	2	2.00	2	2	2.00	2	2	2.00
Building Services	104	92	98.50	113	98	105.75	113	98	105.75
Engineering	93	85	87.00	92	84	86.00	92	84	86.00
Maintenance									
Traffic Control	35	25	30.00	35	25	30.00	35	25	30.00
Street Maintenance	105	96	100.33	105	96	100.33	105	96	100.33
Street Cleaning	31	25	28.00	28	22	25.00	28	22	25.00
<b>Total Public Works</b>	<b>374</b>	<b>329</b>	<b>349.83</b>	<b>379</b>	<b>331</b>	<b>353.08</b>	<b>379</b>	<b>331</b>	<b>353.08</b>

## COMPARISON OF HEADCOUNT, FULL-TIME AND FULL-TIME EQUIVALENTS (LOCALLY FUNDED)

	2002 ACTUAL			2003 REVISED			2004 ADOPTED		
	Hdcnt	FT	FTE	Hdcnt	FT	FTE	Hdcnt	FT	FTE
<b>Housing Services</b>	<b>2</b>	<b>1</b>	<b>1.15</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Environmental Health</b>									
Administration	11	11	11.00	10	10	10.00	10	10	10.00
Code Enforcement	12	9	10.00	7	7	7.00	7	7	7.00
Environmental As. & Remed.	3	3	3.00	4	4	4.00	4	4	4.00
Animal Control	21	19	20.00	22	20	21.00	22	20	21.00
Child Care Licensing	2	2	2.00	2	2	2.00	2	2	2.00
Environmental Maintenance	10	5	6.25	5	5	5.00	5	5	5.00
<b>Total Environmental Health</b>	<b>59</b>	<b>49</b>	<b>52.25</b>	<b>50</b>	<b>48</b>	<b>49.00</b>	<b>50</b>	<b>48</b>	<b>49.00</b>
<b>Park Department</b>									
Administration	11	11	11.00	9	9	9.00	9	9	9.00
Maintenance & Forestry	235	146	181.50	224	138	172.00	224	138	172.00
Botanica	5	5	5.00	4	4	4.00	4	4	4.00
Parks and Recreation	527	29	160.75	526	28	159.50	526	28	159.50
Arts Center	87	7	29.00	87	7	29.00	87	7	29.00
Community Facilities									
Century II	20	19	19.50	20	19	19.50	20	19	19.50
Expo Hall	7	7	7.00	7	7	7.00	7	7	7.00
Historical Museum	1	1	1.00	0	0	0.00	0	0	0.00
Wichita Boathouse	2	1	1.50	2	1	1.50	2	1	1.50
<b>Total Park Department</b>	<b>895</b>	<b>226</b>	<b>416.25</b>	<b>879</b>	<b>213</b>	<b>401.50</b>	<b>879</b>	<b>213</b>	<b>401.50</b>
<b>TOTAL GENERAL FUND</b>	<b>2,913</b>	<b>2,098</b>	<b>2,346.00</b>	<b>2,876</b>	<b>2,072</b>	<b>2,316.60</b>	<b>2,894</b>	<b>2,091</b>	<b>2,334.90</b>
<b>SPECIAL REVENUE FUNDS</b>									
<b>Landfill</b>	<b>2</b>	<b>2</b>	<b>2.00</b>	<b>2</b>	<b>2</b>	<b>2.00</b>	<b>2</b>	<b>2</b>	<b>2.00</b>
<b>Landfill Post Closure</b>	<b>2</b>	<b>2</b>	<b>2.00</b>	<b>2</b>	<b>2</b>	<b>2.00</b>	<b>2</b>	<b>2</b>	<b>2.00</b>
<b>Art Museum</b>	<b>27</b>	<b>26</b>	<b>25.75</b>	<b>26</b>	<b>25</b>	<b>24.75</b>	<b>26</b>	<b>25</b>	<b>24.75</b>
<b>Office of Central Inspection</b>	<b>73</b>	<b>73</b>	<b>73.00</b>	<b>74</b>	<b>74</b>	<b>74.00</b>	<b>74</b>	<b>74</b>	<b>74.00</b>
<b>Trolleys</b>	<b>0</b>	<b>0</b>	<b>2.70</b>	<b>0</b>	<b>0</b>	<b>1.50</b>	<b>0</b>	<b>0</b>	<b>1.50</b>
<b>Economic Development</b>	<b>3</b>	<b>3</b>	<b>3.00</b>	<b>3</b>	<b>3</b>	<b>3.00</b>	<b>3</b>	<b>3</b>	<b>3.00</b>
<b>Property Management Operations</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>4</b>	<b>4</b>	<b>4.00</b>
<b>State Office Building</b>	<b>4</b>	<b>3</b>	<b>3.50</b>	<b>4</b>	<b>3</b>	<b>3.50</b>	<b>4</b>	<b>3</b>	<b>3.50</b>
<b>Gilbert &amp; Mosley TIF (District #1)</b>	<b>1</b>	<b>1</b>	<b>1.00</b>	<b>1</b>	<b>1</b>	<b>1.00</b>	<b>2</b>	<b>2</b>	<b>2.00</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>117</b>	<b>115</b>	<b>117.95</b>	<b>117</b>	<b>115</b>	<b>116.75</b>	<b>117</b>	<b>115</b>	<b>116.75</b>
<b>ENTERPRISE FUNDS</b>									
<b>Airport</b>									
Administration	12	12	12.00	12	12	12.00	12	12	12.00
Airfield Maintenance	21	17	18.25	21	17	18.25	21	17	18.25
Building Maintenance	15	15	15.00	15	15	15.00	15	15	15.00
Custodial	13	13	13.00	13	13	13.00	13	13	13.00
Engineering	7	7	7.00	7	7	7.00	7	7	7.00
Safety	46	46	46.00	46	46	46.00	46	46	46.00
<b>Total Airport</b>	<b>114</b>	<b>110</b>	<b>111.25</b>	<b>114</b>	<b>110</b>	<b>111.25</b>	<b>114</b>	<b>110</b>	<b>111.25</b>
<b>Golf Course System</b>	<b>85</b>	<b>29</b>	<b>58.00</b>	<b>86</b>	<b>30</b>	<b>59.00</b>	<b>86</b>	<b>30</b>	<b>59.00</b>



## COMPARISON OF HEADCOUNT, FULL-TIME AND FULL-TIME EQUIVALENTS (LOCALLY FUNDED)

	2002 ACTUAL			2003 REVISED			2004 ADOPTED		
	Hdent	FT	FTE	Hdent	FT	FTE	Hdent	FT	FTE
<b>Transit</b>									
Administration	10	8	9.00	10	8	9.00	10	8	9.00
Bus Operations	71	71	71.00	73	73	73.00	73	73	73.00
Special Services	30	30	30.00	30	30	30.00	30	30	30.00
<b>Total Transit</b>	<b>111</b>	<b>109</b>	<b>110.00</b>	<b>113</b>	<b>111</b>	<b>112.00</b>	<b>113</b>	<b>111</b>	<b>112.00</b>
<b>Water Utility</b>									
Administration	6	6	6.00	5	5	5.00	5	5	5.00
Customer Service	82	52	72.25	81	52	71.75	81	52	71.75
Water Distribution	65	65	65.00	65	65	65.00	65	65	65.00
Production and Pumping	54	47	48.75	56	49	50.75	56	49	50.75
System Planning & Development	12	12	12.00	12	12	12.00	12	12	12.00
<b>Total Water Utility</b>	<b>219</b>	<b>182</b>	<b>204.00</b>	<b>219</b>	<b>183</b>	<b>204.50</b>	<b>219</b>	<b>183</b>	<b>204.50</b>
<b>Sewer Utility</b>									
Sewage Treatment	71	69	70.00	75	73	74.00	75	73	74.00
Sewer Maintenance	82	82	82.00	82	82	82.00	84	84	84.00
<b>Total Sewer Utility</b>	<b>153</b>	<b>151</b>	<b>152.00</b>	<b>157</b>	<b>155</b>	<b>156.00</b>	<b>159</b>	<b>157</b>	<b>158.00</b>
<b>Storm Water Utility</b>	<b>37</b>	<b>37</b>	<b>37.00</b>	<b>37</b>	<b>37</b>	<b>37.00</b>	<b>37</b>	<b>37</b>	<b>37.00</b>
<b>TOTAL ENTERPRISE FUNDS</b>	<b>719</b>	<b>618</b>	<b>672.25</b>	<b>726</b>	<b>626</b>	<b>679.75</b>	<b>728</b>	<b>628</b>	<b>681.75</b>
<b>INTERNAL SERVICE FUNDS</b>									
<b>Information Technology</b>	<b>44</b>	<b>44</b>	<b>44.00</b>	<b>50</b>	<b>50</b>	<b>50.00</b>	<b>49</b>	<b>49</b>	<b>49.00</b>
<b>Fleet</b>	<b>61</b>	<b>61</b>	<b>61.00</b>	<b>60</b>	<b>60</b>	<b>60.00</b>	<b>60</b>	<b>60</b>	<b>60.00</b>
<b>Self-Insurance Fund</b>									
Workers Compensation	1	1	1.00	1	1	1.00	1	1	1.00
Risk Management	2	2	2.00	2	2	2.00	2	2	2.00
Safety Office	2	2	2.00	2	2	2.00	2	2	2.00
<b>Total Self Insurance Fund</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>
<b>Stationery Stores</b>	<b>4</b>	<b>4</b>	<b>4.00</b>	<b>1</b>	<b>1</b>	<b>1.00</b>	<b>1</b>	<b>1</b>	<b>1.00</b>
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>114</b>	<b>114</b>	<b>114.00</b>	<b>116</b>	<b>116</b>	<b>116.00</b>	<b>115</b>	<b>115</b>	<b>115.00</b>
<b>TRUST FUND</b>									
<b>Pension Management</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>
<b>TOTAL TRUST FUND</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>	<b>5</b>	<b>5</b>	<b>5.00</b>
<b>CITY-COUNTY FUNDS</b>									
<b>Flood Control</b>	<b>19</b>	<b>19</b>	<b>19.00</b>	<b>18</b>	<b>18</b>	<b>18.00</b>	<b>18</b>	<b>18</b>	<b>18.00</b>
<b>Metropolitan Area Planning</b>	<b>21</b>	<b>20</b>	<b>20.30</b>	<b>20</b>	<b>19</b>	<b>19.30</b>	<b>20</b>	<b>19</b>	<b>19.30</b>
<b>TOTAL CITY-COUNTY FUNDS</b>	<b>40</b>	<b>39</b>	<b>39.30</b>	<b>38</b>	<b>37</b>	<b>37.30</b>	<b>38</b>	<b>37</b>	<b>37.30</b>
<b>TOTAL LOCALLY FUNDED POSITIONS</b>	<b>3,908</b>	<b>2,989</b>	<b>3,294.50</b>	<b>3,878</b>	<b>2,971</b>	<b>3,271.40</b>	<b>3,897</b>	<b>2,991</b>	<b>3,290.70</b>

**(Kansas Statutes Annotated)****79-1973. Temporary suspension of statutory fund and aggregate levy limitations on taxing subdivisions.**

(a) In 1983, all existing statutory fund and aggregate levy limitations on taxing subdivisions are suspended. In such year, any taxing subdivision is authorized either to levy taxes upon tangible property which produces an amount not in excess of the amount which was authorized to be levied by such taxing subdivision in the next preceding year or levy taxes upon tangible property at a rate not exceeding the existing statutory fund or aggregate levy limitation. The tax levy required to produce the amount allowed by the provisions of this subsection shall be the levy limit for 1986, 1987 and 1988 unless such tax levy is less than the existing statutory fund or aggregate levy limitation, in which case such statutory fund or aggregate levy limitation shall apply.

(b) As used in this section, "taxing subdivision" means every taxing district in the state other than the state.

(c) Nothing in this act shall apply to the limitations on aggregate tax levies imposed by the provisions of K.S.A. 79-5001 to 79-5016, inclusive, and amendments thereto.

**79-2925. Budgets of taxing bodies; application of act; exceptions; definitions.**

(a) This act shall apply to all taxing subdivisions or municipalities of the state, except:

- (1) Townships in counties having the county road unit system which have an annual expenditure of less than two hundred dollars;
- (2) Money received by such taxing subdivision or municipality as a gift or bequest;
- (3) Revolving fund set up for the operation of a municipal airport. Any city, board of park commissioners, or other agency designated and authorized to operate a municipal airport is hereby authorized to set up a revolving fund for use as an operating fund, either out of the budget or out of the receipts from the operation of such airport, in an amount as may be reasonable and necessary as an operating fund for the efficient and business-like operation of such airport. The financial transactions of said airport shall be audited in accordance with the minimum standard audit program prescribed by the director of accounts and reports as other municipal funds. Profits arising from the operation of the airport after the payment of all necessary operating expenses and the establishment of the revolving fund shall be applied to reduce the tax levy for the budgeted fund under which the operation of such airport is financed;
- (4) Any special recreation facilities reserve set up by the board of park commissioners in any city for the repair, replacement, or addition to the recreation facilities of such city. The financial transactions of

said recreation facilities shall be audited in accordance with the minimum standard audit program prescribed by the director of accounts and reports as other municipal funds. Profits arising from the coliseum events fund and the coliseum concessions, after the payment of all necessary expenses, and the establishment and maintenance of such special recreation facilities reserve shall be applied to reduce the tax levy for the budget fund under which the operation of such recreation facilities is financed; and

- (5) Any special recreation facilities fund set up by the board of county commissioners for the operation of a county coliseum. The financial transactions of the special recreation facilities fund shall be audited in accordance with the minimum standard audit program prescribed by the director of accounts and reports as other municipal funds. Moneys derived from the operation of a county coliseum and deposited in the special recreation facilities fund shall be applied to reduce the tax levy for the budget fund under which the operation of such county coliseum is financed.

(b) Whenever the term "fund" is used in this act it is intended to have reference to those funds which are authorized by statute to be established. "Fund" is not intended to mean the individual budgeted items of a fund, but is intended to have reference to the total of such individual items.

(c) Whenever the term "director" is used in this act it shall mean the state director of property valuation.

**79-2926. Budget forms prescribed; furnished by director of accounts and reports; duties of certain officers.**

The director of accounts and reports shall prepare and prescribe forms for the annual budgets of all taxing subdivisions or municipalities of the state. Such forms shall show the information required by this act and by K.S.A. 1973 Supp. 79-4401 *et seq.* [\*], necessary and proper to fully disclose complete information as to the financial condition of such taxing subdivision or municipality, and the receipts and expenditures thereof, both past and anticipated. All such budget and tax levy forms shall be printed by the director of printing and in such quantity as required by the director. The director shall deliver the forms for all school districts to the clerk of the board of education of each school district. The forms for all other taxing subdivisions or municipalities of the state shall be delivered by the director to the county clerk of each county, who shall immediately deliver the same to the presiding officer of the governing body of the said respective taxing subdivisions or municipalities within the county. Whenever in article 29 of chapter 79 of Kansas Statutes Annotated the words state auditor or auditor of state, or words of like effect, occur, the same shall mean director of accounts and reports.

**79-2927. Itemized budget; parallel columns showing corresponding items and revenue; non-appropriated balances; balanced budget required.** The governing body of each taxing subdivision or municipality shall meet not later than the first day of August of each year, and shall prepare in writing on forms furnished by the director of accounts and reports a budget itemized and classified by funds and showing amounts to be raised by taxation and from other sources for the ensuing budget year. The budget shall show in parallel columns all amounts and items to be expended for the ensuing budget year and the amounts appropriated for corresponding or other items during the current budget year and amounts expended for corresponding or other items during the preceding budget year. The budget for each fund shall not include any item for sundry or miscellaneous purposes in excess of 10% of the total. Except for school districts, municipal universities and community colleges, the budget for each fund may include a non-appropriated balance of not to exceed 5% of the total of each fund.

The budget shall show in parallel columns the amount of revenue actually received from taxation and from other sources, with the amount from each source separately stated for the preceding budget year and the amount actually received and estimated to be received from taxation and from sources other than direct taxation with the amount for each source separately stated for the current budget year and also the amount estimated to be received during the ensuing budget year, with the amount estimated to be received from each source separately stated. The budget of expenditures for each fund shall balance with the budget of revenues for such fund and that portion of the budget of revenues to be derived from ad valorem property taxation shall not exceed the amount of tax which can be raised by any fund limit or aggregate limit placed upon such fund.

**79-2929. Proposed budget; amendments; public hearing; notice, publication and contents.** Prior to the filing of the adopted budget with the county clerk, the governing body of each taxing or political subdivision or municipality shall meet for the purpose of answering and hearing objections of taxpayers relating to the proposed budget and for the purpose of considering amendments to such proposed budget. The governing body shall give at least 10 days' notice of the time and place of the meeting by publication in a weekly or daily newspaper of the county having a general circulation therein. Such notice shall include the proposed budget and shall set out all essential items in the budget except such groupings as designated by the director of accounts and reports on a special publication form prescribed by the director of accounts and reports and furnished with the regular budget form. The notice of a governing body of any taxing subdivision or municipality having an annual expenditure of \$500 or less shall specify the time and place of the meeting required by this section but shall not be required to include the proposed budget of such taxing subdivision or municipality.

**79-2930. Submission of adopted budgets and additional information pertaining thereto to county clerk; duties of county clerk; limitation on taxes levied, exception.**

(a) Two copies of the budget certificate giving the amount of ad valorem tax to be levied and the total amount of the adopted budget of expenditures by fund, along with itemized budget forms for each and every fund and proof of publication of the notice of budget hearing containing the budget summary shall be presented to the county clerk within the time prescribed by K.S.A. 79-1801 as amended. Where action has been taken under any statute to increase the amount of tax to be levied authorized by law, a statement showing the increased amount or tax levy rate voted, or a copy of the charter resolution or ordinance making the change, shall be attached to the budget each year the change is in effect.

(b) The county clerk shall make any reductions to the ad valorem tax to be levied, compute the tax levy rates based on the final equalized assessed valuation, and enter such on the budget certificate before attesting the budget. A copy of all budgets for taxing subdivisions of the county, properly attested, shall be filed with the director of accounts and reports, along with a copy of the tax levy rate summary required of the county treasurer by K.S.A. 79-2002, and amendments thereto.

(c) Each fund of the adopted budget certified to the county clerk in no event shall exceed the amount of ad valorem tax to be levied and the proposed expenditures of such fund in the proposed budget as originally published. The governing body of each taxing subdivision shall not certify an amount of ad valorem taxes to be levied that is in excess of any tax levy rate or amount limitations or any aggregate tax levy limitations. The governing bodies, in fixing the amount may take into consideration and make allowance for the taxes which may not be paid, such allowance, however, shall not exceed by more than 5% the percentage of delinquency for the preceding tax year.

**79-2933. Time for budget hearing; adoption; validity of levies.** The hearing herein required to be held upon all budgets by all taxing subdivisions or municipalities of the state shall be held not less than ten (10) days prior to the date on which they shall certify their annual levies to the county clerk as required by law. After such hearing the budget shall be adopted or amended and adopted as amended, but no levy shall be made until and unless a budget is prepared, published and filed, but no levy of taxes shall be invalidated because of any insufficiency, informality, or delay in preparing, publishing and filing said budget.

**79-2934. Funds appropriated by budget; balances; duties of clerks and officers; distribution of tax proceeds.** The budget as approved and filed with the county clerk for each year shall constitute and shall hereafter be declared to be an appropriation for each fund, and the appropriation thus made shall not be used for any other purpose. No money in any fund

shall be used to pay for any indebtedness created in excess of the total amount of the adopted budget of expenditures for such fund. Any balance remaining in such fund at the end of the current budget year shall be carried forward to the credit of the fund for the ensuing budget year. The clerk or secretary of each taxing subdivision or municipality shall open and keep an account of each fund, showing the total amount appropriated for each fund, and shall charge such appropriation with the amount of any indebtedness created at the time such indebtedness is incurred. If any indebtedness is reimbursed during the current budget year and the reimbursement is in excess of the amount which was shown as reimbursed expense in the budget of revenues for the current budget year, the charge made shall be reduced by the amount of the reimbursement.

No part of any fund shall be diverted to any other fund, whether before or after the distribution of taxes by the county treasurer, except as provided by law. The county treasurer shall distribute the proceeds of the taxes levied by each taxing subdivision in the manner provided by K.S.A. 12-1678a, and amendments thereto.

**79-2935. Creation of indebtedness in excess of budget unlawful; exceptions.** It shall be unlawful for the governing body of any taxing subdivision or municipality in any budget year to create an indebtedness in any manner or in any fund after the total indebtedness created against such fund shall equal the total amount of the adopted budget of expenditures for such fund for that budget year. Any indebtedness incurred by the governing body or any officer or officers of such taxing subdivision or municipality in excess of said amount shall be void as against such taxing subdivision or municipality: *Provided*, That indebtedness may be created in excess of the total amount of the adopted budget of expenditures for the current budget year only when payment has been authorized by a vote of the municipality, or when provision has been made for payment by the issuance of bonds, or when provision has been made for payment by the issuance of warrants authorized by the commission in accordance with the provisions of K.S.A. 79-2938, 79-2939 and 79-2940.

**79-2936. Removal from office for violation.** Any member of the governing body, or any other officer of any taxing subdivision or municipality of the state, who violates any of the provisions of this act shall be subject to removal from office.

**(Kansas Statutes Annotated)**

**10-1101. Definitions.** The following words, terms and phrases, when used in this act, shall have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

(a) "Municipality" means any county, township, city, municipal university, school district, community college, drainage district and any other taxing district or political subdivision of the state which is supported with tax funds.

(b) "Governing body" means the governing body of a municipality.

(c) "Person" means any person, partnership, association or corporation.

(d) "Claim" means any claim arising on contract express or implied, or a claim determined by final judgment, but shall not include claims arising from alleged tort or negligence on the part of the municipality.

**10-1102. Cash basis for municipalities.** All municipalities are required to pay or refinance their valid indebtedness as in this act provided, in the manner and at the times herein set forth, and to contract no indebtedness after May 1, 1933, except as herein provided. It is hereby declared that the purpose of this act is to provide for the funding and payment of all legal debts and obligations except present bonded indebtedness of all municipalities and for the future conduct of the financial affairs of such municipality upon a cash basis.

**10-1112. Issuance of warrants and other evidences of indebtedness unlawful.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for the governing body of any municipality to create any indebtedness in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose, or to authorize the issuance of any order, warrant, or check, or other evidence of such indebtedness of such municipality in excess of the funds actually on hand in the treasury of such municipality at the time for such purpose.

**10-1113. Creating indebtedness in excess of funds unlawful; exceptions.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for any member of any governing body of any municipality to knowingly vote for or in any manner aid or promote the passage or adoption of any order, motion, ordinance, resolution, legislation or other act of said governing body, creating an indebtedness in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose, or to knowingly vote for the drawing of any order, warrant or check, or other evidence of such indebtedness on the treasury of said municipality, in payment of any such indebtedness, in excess

of the amount of funds actually on hand in the treasury at the time for such purpose. School districts and community junior colleges, may, however, issue cancelable purchase orders for school supplies and equipment, school buses, books purchased in conjunction with textbook rental programs and data processing equipment in advance of the budget year during which moneys will become available to pay for such purposes, but contracts for the purchase of such school supplies and equipment, books, buses and data processing equipment cannot be entered into except during the budget year in which moneys will become available for such purchases and risk of loss and title thereto shall not pass to the school district or community junior college prior to entering into such contracts. Issuance of such a cancelable purchase order shall not constitute an indebtedness within the meaning of K.S.A. 79-2935.

**10-1114. Clerks not to issue or sign orders.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for the clerk or secretary of any governing body of any municipality to knowingly issue, attest, sign or countersign any order, warrant, check or other evidence of indebtedness, on the treasury of the municipality, in payment of any indebtedness of such municipality created by the governing body of such municipality in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose.

**10-1115. Treasurers not to pay orders.** Unless otherwise provided in this act, it shall be unlawful after May 1, 1933, for the treasurer of any municipality to knowingly pay any order, warrant, check or other evidence of indebtedness out of the treasury of such municipality in excess of the amount of funds actually on hand in the treasury at the time for such purpose.

**10-1116. Limits of indebtedness may be exceeded, when; creating indebtedness in violation of act unlawful.**

(a) The limits of indebtedness prescribed under the provisions of article 11 of chapter 10 of Kansas Statutes Annotated may be exceeded when:

- (1) Payment has been authorized by a vote of the electors of the municipality;
- (2) Provision has been made for payment by the issuance of bonds or temporary notes as provided by law;
- (3) Provision has been made for payment by the issuance of no-fund warrants authorized by law and in the manner, and limited in amount as prescribed by law;
- (4) Provision has been made for a revolving fund for the operation of any municipal airport financed and sustained partially or wholly by fees, rentals, proceeds from the sale of merchandise or charges for rendering services, received from the users of such airport; or



- (5) Provision has been made for payment pursuant to a service agreement entered into pursuant to K.S.A. 12-5503.

(b) Notwithstanding any other limits of indebtedness prescribed under the provisions of article 11 of chapter 10 of Kansas Statutes Annotated, the following funds shall have as a limit of indebtedness an amount equal to 100% of the accrued revenue of the current fiscal year plus any balances carried forward, cash reserves, intergovernmental grants, and sums advanced to qualify for intergovernmental grants:

(1) Special recreation facilities reserve funds set up by any board of park commissioners or any municipality for a revolving fund for the repair, replacement or addition to recreational facilities;

(2) Enterprise funds set up in any municipality to account for the financing of self-supporting activities of governmental units which render services on a user charge basis to the general public, such as municipal utilities engaged in the provision of water, electricity and natural gas and sanitary sewer systems which are financed by user charges; or

(3) Intragovernmental service funds or working capital funds established in any municipality to finance and account for services and commodities furnished by a designated agency of a governmental unit to other departments of the same governmental unit such as funds established for central garages and motor pools, central printing and duplicating services and central purchasing and stores departments.

The board of education of any school district, the board of regents of any municipal university or the board of trustees of any community college may enter into contracts for teachers and other necessary employees and for continuing operating expenses in excess of the amount of funds actually on hand for that purpose. The limit of indebtedness provided by this section shall never exceed 100% of the amount actually expended for school purposes for the last preceding fiscal year during which school was conducted.

(c) It shall be unlawful for any member of the governing body of any municipality, as defined in K.S.A. 10-1101, and amendments thereto, to knowingly vote for or in any manner aid or promote the entering into of any contract or the creation of any other indebtedness in violation of the provisions of this section.

**10-1116a. Exemptions from cash basis law; municipal utilities; issuance of no-fund warrants; drought emergencies.** The provisions of this act shall not apply to expenditures in excess of current revenues made for municipally owned and operated utilities out of the fund of such utilities caused by, or resulting from the meeting of, extraordinary emergencies including drought emergencies. In such cases expenditures in excess of current revenues may be

made by declaring an extraordinary emergency by resolution adopted by the governing body and such resolution shall be published at least once in a newspaper of general circulation in such city. Thereupon, such governing body may issue interest bearing no-fund warrants on such utility fund in an amount, including outstanding previously issued no-fund warrants, not to exceed 25% of the revenues from sales of service of such utility for the preceding year. Such warrants shall be redeemed within three years from date of issuance and shall bear interest at a rate of not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a drought emergency, the governing body may issue such warrants for water system improvement purposes in an amount not to exceed 50% of the revenue received from the sale of water for the preceding year. Such warrants shall be redeemed within five years from the date of issuance and shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto.

**10-1116b. Lease, lease-purchase or installment-purchase agreements; agreements for electric interconnection or transmission facilities; when allowed under cash-basis law.** Nothing in the provisions of K.S.A. 10-1101 *et seq.*, and amendments thereto, shall prohibit a municipality from entering into (1) an agreement to pay for electric interconnection or transmission facilities or services, (2) a lease agreement, without an option to buy, or (3) a lease-purchase agreement, if any of such agreements specifically state that the municipality is obligated only to pay periodic payments or monthly installments under the agreement as may lawfully be made from (a) funds budgeted and appropriated for that purpose during such municipality's current budget year or (b) funds made available from any lawfully operated revenue producing source. For the purpose of this act, a lease-purchase agreement shall include a lease with an option to buy or an installment-purchase agreement.

**10-1116c. Lease-purchase agreements; conditions; protest petition and election, when.** Any lease-purchase agreement entered into pursuant to this act shall be subject to the following conditions:

(a) If the proposed agreement is for a term exceeding the current fiscal year of the municipality, it shall be approved by a majority vote of all members of the governing body.

(b) If the proposed agreement involves the acquisition of land or buildings by a municipality other than a county, school district or community college, is for a term of three or more years, and provides for payments in any year in excess of 3% of the total amount budgeted by the municipality for expenditure during the current year, excluding debt service, a notice thereof specifying the purpose and the total of all payments shall be published once each week for two consecutive weeks in a newspaper of general circulation within such municipality. If, within 30 days following the last

publication of such notice, a petition in opposition to the agreement signed by not less than 5% of the qualified voters of such municipality is filed with the appropriate county election officer, no such agreement shall take effect unless and until the same is approved by a majority of the qualified voters of such municipality voting at an election thereon. Any such election shall be called and held in accordance with the provisions of K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act.

(c) If the municipality is a county, school district or community college and the proposed agreement involves the acquisition of land or buildings, is for a term exceeding the current fiscal year of the municipality, and provides for annual payments which in the aggregate exceed \$100,000, the governing body of such municipality first shall adopt a resolution stating its intent to enter into such lease-purchase agreement. The resolution shall specify the total of all payments to be made pursuant to the agreement and the purpose for which such agreement is to be entered into. The resolution shall be published once each week for two consecutive weeks in a newspaper of general circulation within the municipality. If a protest petition signed by not less than 5% of the qualified voters of the municipality, as determined by the vote for secretary of state at the last general election, is filed with the appropriate county election officer within 30 days following the last publication of the resolution, no such agreement shall take effect unless approved by a majority of the qualified voters of the municipality voting at an election thereon. Any such election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act. If no such protest petition is filed within the time limitation contained herein, the governing body of the municipality may enter into such agreement. If an election is held pursuant to a protest petition and a majority vote is cast in favor of the proposition, the governing body of the municipality shall have authority to enter into such agreement.

(d) If the proposed agreement is for a term exceeding the current fiscal year of the municipality, the agreement shall specify the following:

- (1) The amount or capital cost required to purchase the item if paid for by cash,
- (2) The annual average effective interest cost, and
- (3) The amount included in the payments for service, maintenance, insurance or other charges exclusive of the capital cost and interest cost.

**10-1117. Clerk or secretary; record of moneys; contracts and indebtedness of municipality; records of orders, warrant checks; exhibition of records upon request; notice.** The clerk or secretary of every municipality shall keep a record of the amount of money in the treasury and each particular fund and shall keep a record of all indebtedness and contracts creating a liability against the municipality. In such records there shall be shown the date of the making of the

contract or the creation of the debt, the amount of the contract or debt, the time payable, and the particular fund from which payment is to be made. Such clerk or secretary shall also keep a record of each order, warrant check or check, drawn on the treasury and paid, giving the date of payment. Such clerk or secretary shall, upon the request of any person, exhibit such records to such person and any person contracting with the municipality shall be chargeable with knowledge of what such records contain.

**10-1118. Treasurer; record of moneys on hand and in each fund; exhibition of record or statement in writing.** The treasurer of every municipality shall keep a record of the amount of money on hand in the treasury, which record shall show at all times the amount of money in each particular fund. Such treasurer shall, upon the request of any person, exhibit such record to such person or give such person a statement in writing, showing the balances on hand in each of the funds of the municipality.

**10-1119. Void contracts and orders.** Any contract entered into between the governing body of any municipality and any person, which violates the provisions of this act, shall be void, and any order, warrant, check or other evidence of indebtedness drawn on the treasurer of any municipality in violation of the provisions of this act shall be void.

**10-1120. Excess tax levying not basis of protest.** The levying of a tax by any municipality which raises more money than is used or needed for the tax year shall not be the basis of a protest by any taxpayer and all such protests shall be of no force or effect.

**10-1121. Penalties for violations.** Any member of any governing body of any municipality or any clerk or secretary or treasurer of any governing body of any such municipality who shall knowingly violate any of the provisions of this act shall be guilty of malfeasance in office and shall, by such violation, be subject to be removed from office and in addition any member of such governing body or clerk or secretary or treasurer of such municipality who shall violate any of the provisions of this act, or neglect or refuse to perform any duty herein imposed, shall be deemed guilty of a misdemeanor, and upon conviction thereof in a court of competent jurisdiction shall be subject to a fine of not less than \$10 nor more than \$1,000.

**10-1122. Invalidity of part.** Should the courts declare any section, clause or provision of this act unconstitutional, the decision shall affect only the section, clause or provision so declared to be unconstitutional, and shall not affect any other section, clause or provision of this act.

**(Kansas Statutes Annotated)**

**10-308. Cities; limitations.**(a) Except as provided in this section and K.S.A. 10-309, and amendments thereto, and in any other statute which specifically exempts bonds from the statutory limitations on bonded indebtedness, the limitation on bonded indebtedness of cities shall be governed by this section. The authorized and outstanding bonded indebtedness of any city shall not exceed 30% of the assessed valuation of the city.

(b) The authorized and outstanding bonded indebtedness of Olathe shall not exceed 35% of the assessed valuation of the city. The provisions of this subsection shall expire on June 30, 1990.

(c) For the purpose of this section, assessed valuation means the value of all taxable tangible property as certified to the county clerk on the preceding August 25 which includes the assessed valuation of motor vehicles as provided by K.S.A. 10-310, and amendments thereto.

**10-309 Limitation on bonded indebtedness of cities; exceptions.** Notwithstanding the provisions of K.S.A. 10-308 and amendments thereto: (a) Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any storm or sanitary sewer system; or

(b) Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any municipal utility; or

(c) Bonds issued by any city to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property, shall not be included in computing the total bonded indebtedness of the city for the purposes of determining the limitations on bonded indebtedness provided in K.S.A. 10-308 and amendments thereto.

**10-310. Computation of valuation for bonded indebtedness limitation purposes.** The county clerk shall add (1) the taxable value of each motor vehicle, as shown on the application for registration for the previous year or as otherwise established in the manner prescribed by K.S.A. 79-5105, and amendments thereto, and (2) the taxable value of motor vehicles established in the manner prescribed by K.S.A. 79-1022, and amendments thereto, to the equalized assessed tangible valuation on the tax roll of each taxing subdivision in which such motor vehicle has acquired tax situs. The resulting total shall constitute the equalized assessed tangible valuation of the taxing subdivision for the computation of limitations upon bonded indebtedness and for all other purposes except the levying of taxes and the computation of limitations thereon.

**10-311. Revenue bonds and municipality, defined; revenue bonds excluded from computation of bonded indebtedness.** (a) "Revenue bonds" mean bonds issued by

any municipality to be paid from the revenue derived from the operation of a publicly owned utility, instrumentality or facility of a revenue producing character, or which are not general obligations of the issuing municipality.

(b) "Municipality" means any city, county, municipal or quasimunicipal corporation or other political subdivision of the state authorized to issue revenue bonds.

(c) Revenue bonds issued by a municipality shall not be included in computing the total bonded indebtedness of such municipality for the purpose of determining the limitations on bonded indebtedness of such municipality.

**10-427a. Same; conditions and limitations; proceeds, disposition and investment.** (a) Refunding bonds issued under the authority of K.S.A. 10-427, and amendments thereto, may be sold or exchanged for the bonds being refunded either as a whole or in installments at any time either at, before or after the maturity of the bonds being refunded. Such bonds shall be exempt from statutory limitations of bonded indebtedness and shall not be included in computing the total bonded indebtedness of the municipality for the purpose of applying any statute limiting the bonded indebtedness of the municipality.

(b) If refunding bonds are sold more than six months prior to the maturity or earliest prior redemption date of the bonds being refunded, the proceeds derived from the sale, together with any other moneys on hand, shall be placed in escrow under a trust agreement with a Kansas bank having full trust powers. The proceeds and moneys shall be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America or municipal obligations which are secured by direct obligations of the United States of America, and which shall mature or be subject to redemption by the holders thereof not later than the respective dates when the proceeds of the obligations together with the interest accruing thereon and any other moneys or investments held in escrow will be required for the purposes intended. The trust agreement shall pledge or assign the moneys and investments held in trust for the payment of the principal of the bonds being refunded and may pledge or assign the moneys and investments held in trust for the payment of the interest on the bonds being refunded and any redemption premium thereon. The trust agreement may pledge or assign any of the obligations or other moneys or investments, or interest accruing thereon, held in trust, which are in excess of the amount of the obligations and other moneys and investments held which is equal to the amount of the principal of the bonds to be refunded which comes due on the date for which the bonds may have been called for redemption or irrevocable instructions to call bonds for redemption have been given and any redemption premium thereon, for the payment of the principal of and interest on any or all of the refunding bonds and any redemption premium thereon, and shall contain provisions for protecting and enforcing the rights and remedies of the holders of the bonds.

### **A. Financial Policies and Guidelines (Revised March 1994)**

The City of Wichita's financial policies set forth the basic framework for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, the policies assist the decision-making process of the City Council and the management. The financial policies provide guidelines for evaluating both current activities and proposals for future programs.

Most policies represent long-standing principles, traditions, and practices that guide the City and help to maintain its financial stability. They should be reviewed annually.

#### **Operating Budget Policies**

1. The City attempts to maintain its present service level for all priority and essential services within existing tax rates, as adjusted for normal growth in the tax base. No new services are added without offsetting expenditure reductions or increases in tax revenues. A phase-in increase to the mill levy to restore the debt service levy to the 1992 level was completed in 1995. Loss of assessed value through the November 1992 classification amendment to the State Constitution required a one-time only mill levy increase (1993 taxes for the 1994 budget).
2. The City maintains a financial and budgetary control system to ensure adherence to the budget and an awareness of the financial environment, preparing quarterly reports to compare actual revenues and expenditures to budgeted amounts, analyzing operating surplus or deficit conditions, and balance sheets on all City funds.
3. The City integrates performance measurement and productivity indicators with the budget.
4. The City attempts to avoid layoffs in all actions to balance the budget. Any personnel reductions are scheduled to come primarily from attrition.
5. The City emphasizes efforts to reduce major cost centers.
6. Airport, Golf, Sewer, Water, and Storm Water enterprise funds are self-supporting.
7. Privatization, volunteerism, incentive programs, public/private partnerships and other alternatives are used whenever possible to provide services.
8. The City endeavors to mitigate subsidies for the Transit system.
9. Charges for internal services are set at the lowest possible level to maintain essential programs.

#### **Revenue Policies**

The City directs efforts to maintaining a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source.

1. The City attempts to obtain additional major revenue sources as a way of insuring a balanced budget.

2. The City follows an aggressive revenue collection policy.
3. The City establishes all user charges and fees at a level related to the full cost (operating, direct, indirect, and capital) of providing the service.
4. The City reviews fees/charges annually and designs and modifies revenue systems to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing the service. The City considers market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees, and charges.

#### **Investment Policies**

1. Disbursement, collection, and deposit of all funds are managed to insure maximum cash availability.
2. The City strives to maximize the return on investments consistent with the primary goal of preserving capital in accordance with the City's ordinance and prudent investment practices.

#### **Debt Policies**

1. The City confines long-term borrowing primarily to capital improvements.
2. In anticipation of bonding, the City uses short-term debt.
3. The City follows a policy of full disclosure on every financial report and bond prospectus.
4. Revenue bonds are issued when practical for City enterprises to reduce the amount of the City's general obligation debt.
5. The City maintains an aggressive retirement of existing debt over 10 years for city-at-large debt and 15 years for special assessment debt.
6. The City uses general obligation debt to fund general purpose public improvements which cannot be financed from current revenues.
7. The City uses special assessment general obligation debt to fund special benefit district improvements consistent with existing policies.

#### **Reserve Policies**

1. The City maintains a revenue reserve to pay for expenses caused by unforeseen emergencies or for shortfalls caused by revenue declines. This reserve is established at no less than 5 percent and no greater than 10 percent of annual revenues.
2. The City maintains a contingency expenditure account to provide for unanticipated expenditures of a nonrecurring nature, or to meet unexpected small increases in service delivery costs.
3. Reserves in excess of these amounts in the General Fund shall be used for one-time only expenditures.
4. The City maintains a debt service fund reserve at year end equivalent to 5 percent of annual revenues of the debt



service fund. Any amount in excess of this reserve will be used to reduce capital project fund general purpose expenditures.

5. Adequate levels of working capital shall be maintained in all proprietary funds.

## **Accounting, Auditing, and Financial Reporting Policies**

1. An independent audit is performed annually and completed not later than June 1 of each year.
2. The City produces annual and monthly financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).

## **B. Capital Improvement Program Guidelines (March 1994)**

The Capital Improvement Program (CIP) guides new construction and improvements to the City's infrastructure and facilities, ranging from road expansion to repairs on publicly owned buildings to acquisition of new water sources.

The CIP requires a sound operating budget and a solid financial base to allow for debt or cash financing of capital projects. A well prepared operating budget can also assist in raising or maintaining the bond rating of the City. A higher bond rating means that the City pays a lower interest rate for the bonds sold to finance capital projects.

The annual budget process takes into account requirements of funding infrastructure, maintenance, and related operational costs. Since the CIP is primarily funded from property taxes, mill levy changes in the annual operating budget can mean changes in resources available for capital projects.

## **Revenue Sources and Projections**

Development of the CIP has two phases. The first phase is revenue projections. Like revenue projections for the operating budget, trends are studied, and performance assumptions are generated. From these assumptions, expenditure estimates are developed. Since the CIP is a ten-year plan, revenue projections must be made further into the future than those required for the operating budget.

Existing debt service obligations are considered when estimating the additional amount of debt that can be assumed under the City's policy. After the new debt for proposed projects is calculated and all revenue sources are identified, projects are prioritized and funds are allocated for the ten year planning period. The revenues and debt service expenditures for that part of the CIP financed from property and sales taxes are managed through the Debt Service Fund. Components of revenue funding the CIP are noted below:

1. The mill levy is projected at 10 mills for the ten year CIP period.
2. Sales tax revenue for freeway and road construction is managed through the Sales Tax Trust Fund until the funds are transferred to projects or to the Debt Service Fund to pay debt service on sales tax general obligation bonds.
3. Special assessments made against properties fund portions of the CIP.
4. Motor vehicle taxes collected by Sedgwick County on all motor vehicles not subject to property or ad valorem taxes are a CIP revenue source.
5. Interest earnings on the fund balance and current revenues contribute to CIP revenue.
6. Transfers from other funds such as the Tourism and Convention Fund for Expo Hall, Lawrence Dumont Stadium, and parking facilities, and from Tax Increment Financing Funds for economic development projects, are considered in revenue estimating.
7. Other proceeds considered when developing the CIP are from the sale of City owned property.

Other parts of CIP financing are budgeted as debt service in proprietary funds.

## **Project Review**

The second phase of the developing the CIP involves the project request. Each project request is sent to major corporations, community organizations, District Advisory Boards, and other groups would be impacted. Any interested party may submit a project for consideration by City engineers and the CIP Administrative Committee.

The CIP Administrative Committee, through a series of meetings, develops the project plan for the term of the program. Projects are studied and are ranked according to criteria set forth by the Committee.

Projects proposed for the CIP are reviewed, evaluated, and recommended under the following guidelines:

1. General revenue-supported debt: Maintain a Capital Improvement Program within the debt limitations established by state law, and within a maximum local mill levy debt service established by the City Council.
2. Capital improvement projects must meet the established useful life criteria to be financed: (a) public buildings, 40 year general life, 10 year financing; (b) new road construction, 40 year general life, 10 year financing; (c) major road and bridge rehabilitation, 15 year general life, 10 year financing; (d) water, sanitary sewers, and drainage, 40 year general life, 20 year financing; (e) miscellaneous items, based on asset life, 10 year financing; and (f) local sales tax projects, 10 and 15 year financing with double barreled bonds.
3. Utility Revenue Bonds are utilized when necessary and feasible to finance Public Improvements using a 20-year



amortization to minimize the impact of annual revenue requirements (see fees).

4. Maintenance of the highway and street system to provide safe and effective vehicular access and efficient urban traffic flow emphasizing the following: (a) Expedite the plans (in cooperation with Sedgwick County) for constructing and financing US-54, maximizing state and federal funds supplemented by local sales tax; (b) Concentrate efforts on selected cross-town arterials and intersections to improve traffic movement, safety and reduce congestion; (c) Include features in new projects which will reduce future maintenance requirements (i.e., delineation of crosswalks, low-maintenance medial treatment, etc.); (d) Complete railroad crossing improvements on arterials; and (e) Provide good streets and roadways to serve City facilities (i.e., Art Museum, Cowtown, Expo Hall, Airport, etc.).
5. Provide improvements in the downtown area.
6. Continuation of Neighborhood Improvement Program in conjunction with code enforcement.
7. Emphasize projects in problem areas without regard to the percentage of the total CIP funds available. Under no circumstances will all projects be selected from one area of the City.
8. Develop a balanced capital maintenance program for all types of City assets.
9. Include beautification and landscape improvements in projects, especially on arterials and highways, public facilities, etc.
10. Insure an adequate water supply for existing neighborhoods and for the planned growth and development of the City.

### Hearings and Adoption of the CIP

Upon completion of the Administrative Committee's plan, the committee's recommendations are forwarded to the City Manager and then to the City Council. Hearings are held before the Metropolitan Area Planning commission and the District Advisory Boards. Like the operating budget, the City Council hears public comments on the CIP prior to adoption. The City Council may shift, add, or delete projects in the proposed CIP.

### Implementation

After the CIP is adopted by the City Council, departments use the CIP as a guide for implementing capital improvements. Initiation of each project must be authorized individually by the City Council through the adoption of an ordinance or resolution.

### Budgeting for Ongoing Operating Costs of CIP Projects

As a general practice, the proposed 10-year CIP is developed and revised in a process that parallels development of the City's two-year budget. Departments provide estimated ongoing costs associated with CIP projects so all costs can be considered in the evaluation process. When a project is completed, the operating costs are included in the department's operating budget.

**Reporting Entity.** For financial reporting purposes the City includes financial information for the appointive boards and commissions that are controlled by or dependent on the City. Control or dependence is determined on the basis of oversight responsibility, budget adoption, taxing authority, funding and appointment of respective governing boards. The boards and commissions which are appointed by the elected City officials, accountable for fiscal matters related thereto and for which the City provides accounting services include: Art Museum, Wichita Airport Advisory Board, Library Board, Board of Park Commissioners Advisory Board, Metropolitan Transit Advisory Board, and the Board of Housing Commissioners.

The financial activities of these boards and commissions are reflected in the special revenue, capital project, enterprise and expendable trust funds as appropriate.

**Basis of Accounting.** The accrual basis of accounting is used for all funds except the governmental fund types, expendable trust funds and agency funds which use the modified accrual basis of accounting. Modifications in such method from the accrual basis are as follows:

1. Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Revenues received prior to their normal time of receipt are recorded as deferred revenues.
2. Disbursements for the purchases of capital assets providing future benefits are treated as expenditures and are accounted for in the general fixed assets account group. Appropriations for capital projects are carried forward until such time as the project is completed or terminated.
3. Interest on general long term debt is not accrued but is recorded as an expenditure on its due date.

**Budgetary Control.** Applicable Kansas statutes require that annual budgets be legally adopted for all funds (including proprietary funds) unless exempted by a specific statute. Specific funds exempted from legally adopted budgets are all federal and state assistance funds, all capital project funds, the Transit Fund, the Airport Fund, the Golf Course System Fund and all trust and agency funds. Controls over spending in funds that are not subject to legal budgets are maintained by the use of internal spending limits established by management. For budgeting, revenues are recognized when they become both measurable and available to finance expenditures of the current period except for special assessments of the bond and interest fund, which are recognized on the cash basis.

Kansas statutes require the use of an encumbrance system as a management control technique to assist in controlling expenditures. Encumbrances of the budgeted governmental fund types, represented by purchase orders, contracts and other commitments, are reported as a charge to the current year budget. For budget purposes, unencumbered cash balances are determined by deducting liabilities and

encumbrances from cash and receivables susceptible to accrual.

The statutes provide for the following sequence and timetable in adoption of budgets:

Preparation of budget for the following calendar year begins on or before August 1 of each year.

1. Publication of proposed budget on or before August 5 of each year.
2. A minimum of ten days notice of public hearing, published in local newspaper, on or before August 15 of each year.
3. Adoption of final budget on or before August 25 of each year.

Kansas statutes permit transferring budgeted amounts from one object of purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. All unencumbered appropriations lapse at the end of the year, except for capital project funds which are carried forward until such time as the project is completed or terminated. Kansas statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish a notice of hearing to amend the budget. Ten days after publication, a public hearing is held and the governing body may amend the budget at that time.

Additional information regarding funds and budgetary accounting policies may be found in the City of Wichita's Comprehensive Annual Financial Report prepared by the City Controller's Office.

The accounts of the City are organized on the basis of funds and groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are grouped by type in the financial statements. The types of funds maintained by the City are as follows:

### **Governmental Funds**

**General Fund.** The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City, other than proprietary fund expenditures, are financed through revenues received by the General Fund.

**Special Revenue Funds.** These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designated to finance particular functions or activities of the City. The City maintains a separate special revenue fund for each federal or state grant program.

**Debt Service Fund.** The bond and interest fund is used to account for the payment of principal and interest on the City's general obligation bonds that are recorded in the general long-term debts group of accounts. Revenues for this purpose include ad valorem property taxes, special assessment taxes, investment interest income and City Hall parking lot revenues.

**Capital Project Funds.** The capital project funds account for capital improvements (except for those financed by proprietary funds) which are financed from the City's general obligation bond issues, special assessments, certain federal grants and other specific receipts.

### **Proprietary Funds**

**Enterprise Funds.** Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), federal grants and other City funds.

**Internal Service Funds.** Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies for the City and other governmental units, on a cost reimbursement basis.

### **Fiduciary Funds**

**Trust and Agency Funds.** Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units and other funds. These include expendable and pension trust funds and agency funds.

### **Account Groups**

**General Fixed Assets Account Group.** This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

**General Long-Term Debt Account Group.** This group of accounts is established to account for all long-term debt of the City, except that accounted for in the proprietary funds. Under the statutes of the State of Kansas, debt issued to finance special assessment project's constitutes a general obligation of the City. Therefore, this debt is recorded in the general long-term debt account group and is serviced through the Debt Service Fund. The City does not issue special assessment bonds.

**Administrative charges.** Reimbursements to the General Fund for the indirect costs incurred against General Fund budgets for the indirect support of departments and operations funded outside the central administrative divisions (administrative procedure).

**Ad valorem property taxes.** Taxes levied against the assessed valuation of taxable real and personal intangible property in the County. The tax rate is expressed in "mills" per \$1 of the assessed valuation of the property, and is equal to \$1 per \$1,000 of assessed valuation. Currently, Kansas Statutes set the assessment of property as follows:

- residential, 11.5 percent;
- land used for agricultural purposes, 30 percent;
- vacant lots, 12 percent;
- real property used by non-profit organization, 12 percent;
- public utility, 33 percent;
- commercial, 25 percent,
- all other, 30 percent.

**Alcoholic liquor tax.** A tax on gross receipts from the sale of liquor at retail. (K.S.A., Ch. 79, Art. 41)

**Charges for current services and sales.** Revenue derived from all charges required for current services and sales such as the recording of legal instruments, the sale of certificates, examination fees, the sale of department division manuals, street cut repairs, and safety charges and sales, nursing fees, and other health charges and sales. (K.S.A., Ch. 12, Art. 7, Ch. 13, Arts. 9 and 14, Ch. 28, Art. 1, Ch. 65, Arts. 24, 708 and 737a; Code of the City of Wichita, Chapters 1.04.070, 2.08, 2.21, 2.24, 6.04, 7.12, 10.20.050, 11.68, 19.08.030, 21.04.040, 22.04.220, and 28.04.210)

**Dealer's stamp tax.** Taxes paid on new and used automobiles by dealers in lieu of ad valorem taxation on automobile dealers vehicle inventory. (K.S.A., Ch. 79, Art. 10)

**Delinquent tangible property tax.** Ad valorem property taxes collected from previous tax years. (K.S.A., Ch. 79, Art. 2004 and 2004a)

**Federal and State grants and contributions.** Revenue received from the federal and state governments for assistance in programs such as low cost housing, youth programs, health-related programs, or other federal and state-supported projects (administrative agreement).

**Fines and penalties.** Revenue derived from Municipal Court fines, forfeits, and penalties. (K.S.A., Ch. 13, Art. 617; Code of the City of Wichita, Title 4, Intoxicating Liquor; Title 5, Public Safety Morals; Title 11, Traffic)

**Franchise fees.** An annual fee paid for by People's Gas Co., Westar, Southwestern Bell, Cox Communications, the Wichita Water and Sewer utilities and the Storm Water Utility, for the

privilege of doing business in the municipality. (K.S.A., Ch. 12, Art. 20, Code of the City of Wichita Franchises)

**Gasoline tax.** A tax on the use, sale, or delivery of all motorvehicle fuels used, sold, or delivered in this state for any purpose whatsoever. Taxation rates are set by a formula established by the Director of Taxation. (K.S.A., Ch. 79, Arts. 3408 and 3425)

**Interest earnings.** Revenue derived from the proper management of the City's assets, through investment of public funds being held until expended or distributed to other units of government. (Code of the City of Wichita, Section 2.18.030; administrative procedure)

**Intergovernmental revenue.** Revenue derived from payments to the municipality by other public governments. (K.S.A., Chapters 12, 68, and 79; administrative agreements)

**Licenses.** Revenue derived from the issuance of a legal permission by the City of Wichita, which authorizes a person to operate a business or occupation in the municipality. The regulation is based on the police power of protecting the public safety, health, and general welfare. (Code of the City of Wichita, Titles 34, 7, 10, 16, 18, 19, 21, 22, 24, 26 and Chapters 3.02 and 3.04)

**Local sales tax.** A one percent (1%) tax approved by the voters in July 1985, levied on gross retail sales in Sedgwick County in addition to 4.9 percent tax levied by the state of Kansas until June 30, 2002 at which time the state levy increases by one percent to 5.9 percent. (K.S.A., Ch. 12, Art. 1)

**Motor vehicle tax.** A tax collected by Sedgwick County on all motor vehicles that are not subject to property or ad valorem taxes, such as passenger cars, pickup trucks, and motorcycles. (K.S.A., Ch. 79, Art. 51)

**Payment in lieu of taxes.** Revenue derived from the issuance of a legal permission by the City of Wichita authorizing certain work to be performed on a particular project. (Code of the City of Wichita, Chapters 10.08, 10.12, 10.24, 10.20, 14, 16.04, 16.08, 17.08, 18.04, 18.04.065, 18.08, 18.12, 18.24, 18.28, 19.08, 21.04, 22.04, 22.08, 24.04, 26.04, 26.04.100., and Uniform Building Code)

**Rental income.** Revenue derived from the rental of City facilities such as City Hall Cafeteria and Parking Garage, Century II Concert Hall, Omnisphere, LawrenceDumont Stadium, Expo Hall, and Building Services. (K.S.A., Ch. 12, Art. 21 and 631c; Code of the City of Wichita, Chapters 2.21, 7.08, 9.20, 16.04, 15.15, 17.12; Charter Ordinance No. 13, Code of the City of Wichita; administrative procedure)

**Special assessments.** Charges which the local government makes to pay for a specific service or project such as streets, sewers, curbs, and gutters that benefit a particular piece of real estate. These charges are assessed on the basis of the squire footage of the lot, against the value of the lot, or

on the basis of both lot square footage and value. (K.S.A., Ch. 13, Art. 0; Code of the City of Wichita, Ch. 2.24)

**Transient guest tax.** A six percent (6%) tax upon the gross receipts paid by guests in any hotel, motel, or tourist courts located in the incorporated territory of the City of Wichita. (K.S.A., Ch. 12, Arts. 1693 and 1694; and, Charter Ordinance No. 184. Code of the City of Wichita)

**User fees.** Revenue derived from payments made by the general public for the purpose of utilizing goods and services, such as entry fees, Park Department charges, class registrations, tenant rental and concessions. (Code of the City of Wichita, Title 9)



## —A—

**Administrative Charge.** Payments to the General Fund for indirect costs incurred against General Fund budgets.

**Ad Valorem Tax.** A tax levied on the assessed value of both real and personal property in proportion to the value of the property (commonly referred to as "property tax").

**Alcoholic Liquor Tax.** A tax on gross receipts from the sale of liquor at retail.

**Allocation.** Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities or other logical measures of use.

**Appraised Value.** Market dollar value given to real estate, utilities, and personal property; established through notification, hearing and appeals and certification process.

**Appropriation.** An authority and allocation created by City Council that permits the officials to incur obligations against, and to make expenditures of, governmental resources (revenues).

**Assessed Value.** Appraised value of property adjusted downward by a classification factor, to determine the basis for distributing the tax burden to property owners.

**Asset.** Resources owned or held by a government which have monetary value.

**Attrition.** A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

**Authorized Positions.** Employee positions, which are authorized in the adopted budget, to be filled during the year.

**Audit.** A review of the City's accounts by an independent accounting firm to substantiate year-end fund balances, reserves, and cash on hand.

## —B—

**Base Budget.** Cost of continuing the existing levels of service in the current budget year.

**Bingo Tax.** A three percent (3%) tax on gross revenues incurred by bingo parlors to be used for the purpose of enforcement and regulation.

**Bond.** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate. The City sells bonds as a means of borrowing revenue for costly projects and repays the debt to the lender over an extended period of time, similar to the manner in which a homeowner repays a mortgage.

A bond differs from a note in two ways. A bond is issued for a longer period of time than a note and requires greater legal formality. Bonds are primarily used to finance capital projects.

**Budget.** Financial plan consisting of estimated revenues and expenditures (purposes) for specified time. The operating budget provides for direct services and support functions of the City (e.g.; Police, Fire, Public Works, etc.). The capital budget (Capital Improvement Program) provides for improvements to the City's infrastructure and facilities, and utilizes long-term financing instruments.

**Budget Amendment.** Legal means by which an adopted expenditure authorization or limit is increased and could be authorized with a publication, a hearing or a re-certification of the budget.

**Budgetary Basis.** This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

**Budget Calendar.** The schedule of key dates which a government follows in the preparation and adoption of the budget.

**Budget Message.** A general policy discussion of the budget as presented in writing by the budget-making authority to the City Council. The message outlines the budget plan and main points of interest. The City's budget message is presented as the City Manager's letter in the proposed and adopted budget documents.

## —C—

**Capital Improvements.** Any significant physical acquisition, construction, replacement, or improvement to a City service delivery system.

**Capital Improvement Program (CIP).** A ten-year expenditure plan financing new infrastructure and facilities, or improvements to the existing infrastructure and facilities. Set forth in the CIP is the name of each project, the expected beginning and ending date, the amount to be expended in each year and the proposed method of financing the projects.

**Capital Outlay.** An item of non-expendable nature with a value greater than \$1,500 and with an anticipated life of more than one year under normal use.

**Carry-Over.** Appropriated funds that remain unspent at the end of a fiscal year and are allowed to be retained in the appropriating budget and expended in subsequent fiscal years for the purpose designated.

**Cash Basis.** A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**Charges for Current Services and Sales.** Revenue derived from all charges required for current services and sales such as the recording of legal instruments, the sale of certificates, examination fees, the sale of department division manuals, street cut repairs, and safety charges and sales, nursing fees and other health charges and sales.

**Collective Bargaining Agreement.** A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

**Commodity.** An expendable item used by operating activities. Examples include office supplies, repair, and replacement parts for equipment, toilet supplies and gasoline and oil.

**Consumer Price Index (CPI).** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

**Contingency.** A budgetary reserve amount established for emergencies or unforeseen expenditures not otherwise known at the time the budget is adopted.

**Contractual Services.** A cost related to a legal agreement. Examples include insurance premiums, utility costs, printing services and temporary employees (hired through a private firm).

## —D—

**Dealers' Stamp Tax.** Taxes paid on new and used automobiles by dealers in lieu of ad valorem taxation on automobile dealers vehicle inventory.

**Debt Service.** Principal and interest requirements on outstanding debt according to a predetermined payment schedule.

**Deficit.** An excess of current-year expenditures over current-year resources.

**Delinquent Tangible Property Tax.** Ad valorem property taxes collected from previous tax years.

**Department.** The basic unit of service responsibility, encompassing a broad mission of related activities.

**Depreciation.** Expiration in the service life of capital assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

**Disbursement.** The expenditure of monies from an account.

**Distinguished Budget Presentation Awards Program.** A voluntary awards program administered by the Government Finance Officers Association (GFOA) to encourage governments to prepare effective budget documents.

**Division.** A sub-unit of a department that encompasses a substantial portion of the duties assigned to a department. May consist of several sections, which in turn may consist of clearly defined activities.

## —E—

**Employee (or Fringe) Benefits.** Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical and life insurance plans.

**Encumbrance.** Obligations in the form of purchase orders or contracts that are chargeable to an appropriation and for which a part of the appropriation is reserved. Encumbrances are eliminated when paid or when an actual liability is established.

**Enterprise Fund.** Used for government functions that are self-supporting. Enterprise funds belong to the group of funds called "proprietary" and account for operations that provide services to the community at large.

**Entitlements.** Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

**Expenditure.** Actual outlay of funds. Expenditures are budgeted by function: personal services (salaries and benefits), contractual services, commodities (materials and supplies), capital outlay, and other (including transfers out, debt service, contingencies and inventory clearing accounts).

**Expense.** Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

## —F—

**Federal and State Grants and Contributions.** Revenue received from the federal and state governments under an administrative agreement to provide financial assistance for programs such as low-cost housing, youth programs, health-related programs, or other federal and state-supported projects.

**Fines and Penalties.** Revenue derived primarily from Municipal Court fines, forfeits, and penalties.

**Fiscal policy.** A government's policies with respect to revenues, spending and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming, or government budgets and their funding.

**Fiscal Year.** The 12-month budget period. The fiscal year for the City of Wichita is the January through December calendar year.

**Fixed Assets.** Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. Capital assets are also called fixed assets.

**Franchise Fee.** An annual assessment paid by utilities for the privilege of doing business in Wichita. The current rate is five percent of a utility's gross receipts.

**Full-Time Equivalent Position (FTE).** A position converted to the decimal equivalent based on 2,080 hours per year. For example, a summer lifeguard working 8 hours per day for four months, or 690 hours, would be equivalent to .3 of a full-time position.

**Fund.** Accounting entity with accounts for recording revenues and expenditures to carry on specific purposes.

**Fund Balance.** The total dollars remaining after current expenditures for operations and debt service for capital improvements are subtracted from the sum of the beginning fund balance and current resources. The City Council policy goal is to maintain a total appropriated and unappropriated fund balance/reserve between five to ten percent of the General Fund expenditure budget. State law allows a maximum of 5 percent of certified budgets/funds to be unappropriated.

## —G—

**GAAP.** Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

**GFOA.** Governmental Finance Officers Association. The professional association of state/provincial and local finance officers in the United States and Canada, serving the public finance profession since 1906, with over 15,500 GFOA members dedicated to the sound management of government financial resources.

**Gasoline Tax.** A tax on the use, sale, or delivery of all motor-vehicle fuels used, sold, or delivered in this state for any purpose whatsoever. Taxation rates are set by a formula established by the Director of Taxation.

**General Fund.** The City's principal operating account, which is supported primarily by taxes and fees having no restriction on their use.

**Goal.** A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

**Governmental Funds.** An accounting entity used to account for operations that rely mostly on current assets and current liabilities. Governmental funds include the General Fund, special revenue funds, and the Debt Service Fund.

## —I—

**Infrastructure.** The physical assets or foundation of the City, including buildings, parks, streets and water and sewer systems.

**Interest Earnings.** Revenue derived from the proper management of the City's assets, through investment of public funds being held until expended or distributed to other units of government. Revenue derived from the proper management of the City's assets, through investment of public funds being held until expended or distributed to other units of government.

**Intergovernmental Revenue.** Revenue received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**Internal Service Fund.** An accounting entity used to account for operations that provide services to City departments at cost. Like enterprise funds, internal service funds belong to the "proprietary" group of funds.

## —L—

**Licenses.** Revenue derived from the issuance of a legal permission by the City of Wichita, which authorizes a person to operate a business or occupation in the municipality.

**Line Item.** The smallest expenditure detail in department budgets. The line item also is referred to as an "object," with numerical "object codes" used to identify expenditures in the accounting system. Within the accounting system, "objects" are further divided into "sub-groups."

**Local Sales Tax.** A one percent (1%) tax approved by the voters in July 1985, levied on gross retail sales in Sedgwick County in addition to the four and nine-tenths percent (4.9%) tax levied by the state of Kansas.

**Longevity.** Employee compensation payments made in recognition of a minimum number of years employed full time with the same entity. Longevity payments are two dollars per month multiplied by the total accumulative years of service, payable after six years in employment.

## —M—

**Mill.** The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property valuation.

**Motor Vehicle Tax.** A tax collected by Sedgwick County on all motor vehicles that are not subject to property or ad valorem taxes, such as passenger cars, pick-up trucks and motorcycles.

## —O—

**Operating Budget.** A budget that applies to all outlays other than capital improvements. This refers more to the day-to-day operations of the City.

**Operating Expenses.** The cost of personnel, materials and equipment required for a department to function.

**Operating Revenue.** Funds that the government receives as income to pay for ongoing operation. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

**Output Indicator.** A unit of work accomplished, without reference to the resources required to do the work (e.g., number of permits issued, number of burglary arrests made, etc.). Output indicators do not reflect the effectiveness or efficiency of the work performed.

## —P—

**Payment in Lieu of Taxes.** Revenue derived from the issuance of a legal permission by the City of Wichita authorizing certain work to be performed on a particular project.

**Performance Indicators.** Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

**Performance Measures.** A means, usually quantitative, of assessing the efficiency and effectiveness of department work programs.

**Personal Services.** All costs related to compensating employees, including employee benefit costs such as the City's contribution for retirement, social security, and health and life insurance.

**Prior-Year Encumbrances.** Obligations from previous fiscal years in the form of purchase orders or contracts which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

**Program.** A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

**Proprietary Funds.** Accounting entities to account for operations similar to a private enterprise with a balance sheet that incorporates long-term debt obligations, assets and liabilities, and depreciation. Enterprise funds and internal service funds are "proprietary" funds.

## —R—

**Rental Income.** Revenue derived from the rental of City facilities such as City Hall Cafeteria and Parking Garage, Century II Concert Hall, Lawrence-Dumont Stadium, Expo Hall, park facilities and the like.

**Reserve.** A portion of fund equity legally restricted for a specific purpose or not available for appropriation and subsequent spending. It is normally set aside of funds for emergencies or unforeseen expenditures not otherwise budgeted.

**Resources.** Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

**Retained Earnings.** Reserved and unreserved assets (recorded in proprietary fund operations), held for future operating needs and equipment replacement.

**Revenue.** Taxes, user fees, and other sources of income received into the City treasury for public use.

### —S—

**Service Level.** Services or products which compromise actual or expected output of a given program. Focus is on results, not measures of workload.

**Special Assessment.** A compulsory levy made upon a properties to defray part or all of the costs of a specific improvement that primarily benefits that specific property.

**Special Revenue Fund.** An accounting entity to record revenue that is legally destined for a specific purpose and the expenditure of the dedicated revenue.

### —T—

**Tax Lid.** Law limiting amount of property tax that can be levied for a specific government function. Also known as aggregate tax levy limitation.

**Taxes.** Compulsory assessments levied by a government for the purpose of financing services performed for the common benefit of the citizens. Taxes do not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

**Tort.** A wrongful act or damage involving a breach of legal duty for which a civil action can be brought.

**Transient Guest Tax.** A six percent (6%) tax upon the gross receipts paid by guests in any hotel, motel, or tourist courts located in the incorporated territory of the City of Wichita.

**Trust Fund.** Used when the City is custodian of money to be reserved and spent for a special purpose.

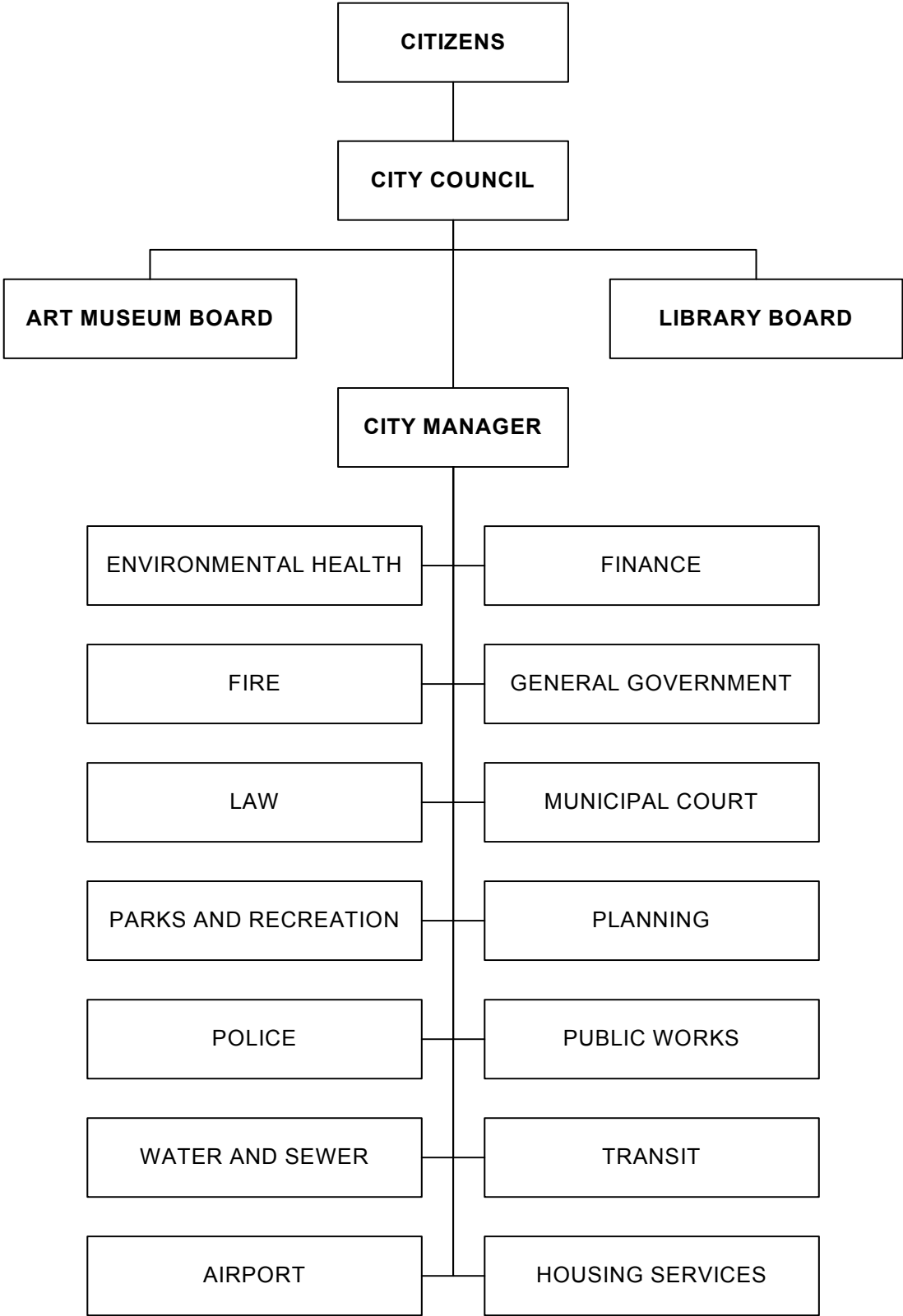
### —U—

**Unencumbered Balance.** The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

**Unreserved Fund Balance.** The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

**User Fees.** Revenue derived from payments made by the general public for the purpose of utilizing goods and services, such as entry fees, Park Department charges, class registrations, tenant rental and concessions.





## Key Performance Targets...

Performance measurements assist government officials and citizens in identifying financial and program results, evaluating past resource decisions, and facilitating qualitative improvements in future decisions regarding resource allocation and service delivery. The following measurements provide actual past performance and 2003-2004 projections according to City of Wichita measurements and the ICMA Center for Performance Measurement FY 2001 Data Report.

	2000 Actual	2001 Actual	2002 Actual	2003 Projected	Target Outcomes
<b>Personnel Administration:</b>					
Reduce employee turnover	6.70%	7.50%	5.96%	6.0%	6.00%
Minimize grievances per 100 employees	1.89	2.20	1.98	2.00	1.00
<b>Employee Safety Practices:</b>					
Minimize vehicle accidents per 100,000 miles driven					
Police	0.45	0.42	2.74	2.50	0.20
Light Vehicle	0.40	0.24	2.26	1.73	0.10
<b>Financial Management and Reporting</b>					
Maintain or improve bond rating - Moody's	Aa2	Aa2	Aa2	Aa2	Aaa
Maintain or improve bond rating - Standard & Poor's	AA	AA	AA	AA	AAA
Achieve Comprehensive Annual Financial Report, GFOA Excellence in Financial Reporting	Awarded	Awarded	Awarded	Award	Award
Achieve Comprehensive Annual Financial Report for Pension Funds, GFOA Excellence in Financial Reporting	Awarded	Awarded	Awarded	Award	Award
Achieve Adopted Budget GFOA Distinguished Budget Presentation	Awarded	Awarded	Awarded	Award	Award
Improve Pension Fund return on investment	-2.10%	-4.42%	-11.70%	7.75%	7.75%
<b>Public Safety</b>					
Reduce average minutes of response time to fire alarm	4.2	4.5	4.4	4.3	4.0
Reduce number of fire alarms per 1,000 population	99.6	102.8	103.8	108.8	100.0
Reduce total UCR crimes per 1,000 population	62	61	64	62	55
Improve safety with increased traffic citations per 1,000 population	260	175	218	262	275
<b>Public Transportation</b>					
Increase fixed route ridership (data in thousands)	2,068	2,103	1,870	1,790	2,800
Improve percent of on-time trips	85%	88%	89%	91%	96%
<b>Infrastructure</b>					
Reduce building maintenance costs per square foot	\$0.47	\$0.48	\$0.48	\$0.55	\$0.50
Reduce water line breaks per 1,000 line miles	600	573	369	375	350
Reduce sewer stoppages per 1,000 line miles	215	154	184	180	175
<b>Culture and Recreation</b>					
Sustain tree planting and replacement	2,375	3,192	2,172	2,600	2,600
Improve recreational programs cost recovery	35%	32%	28%	29%	35%
Maximize golf rounds played	180	187	190	202	235
Maintain library collections turnover rate	1.83	1.79	1.79	1.81	1.81
<b>Health and Housing</b>					
Increase tobacco sales compliance rates	88.0%	92.6%	85.2%	93.0%	98%
Reduce animals admitted into the animal shelter	10,146	9,259	9,900	8,350	8,000
Increase animals redeemed from the animal shelter	30%	30%	28.30%	27.30%	35%

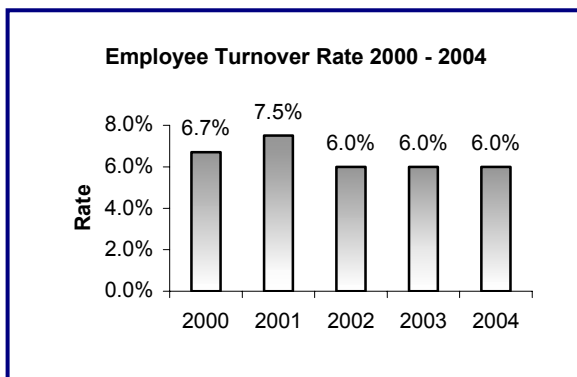
## Administration...

From the aggregate staff of administration comes policy and legislative decisions, overall professional management of the City, financial services and management, monitoring of civil rights and services, metropolitan planning services, human resource services, administration of general government, including management of the Community Development Block Grant and economic development activities.

## Employee Turnover

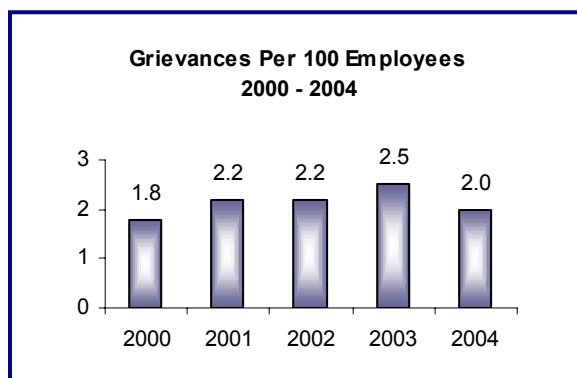
A measure of the organization's ability to retain quality employees is through the employee turnover rate. Wichita's employee turnover rate has shown a decrease from 7.5% in 2001 to 6.0% in 2002.

**Goal.** *To provide competitive employment and advancement opportunities for cost effective service and a healthy work environment.*



## Quality of the Workplace

The City strives to provide a positive work experience for employees, believing that the quality of the workplace impacts productivity and employee turnover. The number of grievances filed per 100 full time employees is one indicator of a fair and respectful work place.



## Financial Health

The City's overall financial health is a result of the policies and management of the City's resources, including both financial and human capital. The community's well being is the result of years of effort to diversify its revenue sources, to provide a stable tax environment, and to attract a strong and diversified economic base, while providing a safe and attractive place to live. The City's ability to meet challenges and sustain the community's quality of life is best quantified by the external credit rating agencies who have consistently rated the City's uninsured general obligation bonds as high-grade investment quality bonds, reflecting a confidence that the City can continue to meet its financial obligations.

Moody's	Aa2
Standard & Poor's	AA

## Investment

Kansas cities are limited by law to invest in financial instruments maturing in two years or less. In 1996, the State of Kansas granted the City of Wichita expanded investment powers as a result of a review of the City's investment policies and practices. The fully expanded powers have been renewed each year thereafter following an annual review of investment policies and practices. The City of Wichita is one of only two Kansas municipalities that have earned the fully expanded investment powers.

## Financial Reporting

The City has consistently been awarded the Government Finance Officers' Association of the United States and Canada Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial reports and the Distinguished Budget Presentation Awards for its annual budgets. The 2003 Adopted Budget earned the GFOA outstanding recognition for a communication device and financial plan. The Comprehensive Annual Financial Report for Pension Funds earns the Certificate of Achievement for Excellence in Financial Reporting.

## Purchasing

From the time a requisition is entered into the purchasing system until a purchase order is issued in an informal bid situation measures not only the efficiency of purchasing staff, but the efficiency of all individuals along the purchase approval track, including department heads and, at times, the budget analyst.

**Goal.** *With proper authority, to maximize the value of dollars paid for purchases of products and services in an expedient manner.*

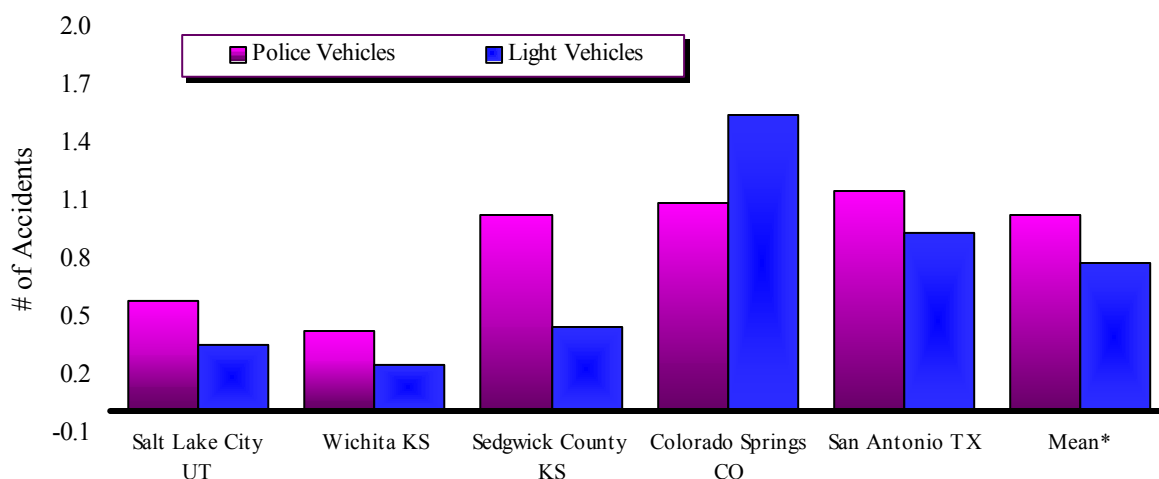
### Calendar Days from Requisition to Purchase Order on Informal Bids

Oklahoma City, OK	12
Colorado Springs, CO	24
<b>Wichita, KS</b>	<b>14</b>
Minneapolis, MN	10
Virginia Beach, VA	17
Des Moines, IA	15

Mean for reporting cities with population greater than 100,000 10

## Risk Management

### Vehicle Accidents Per 100,000 Miles Driven

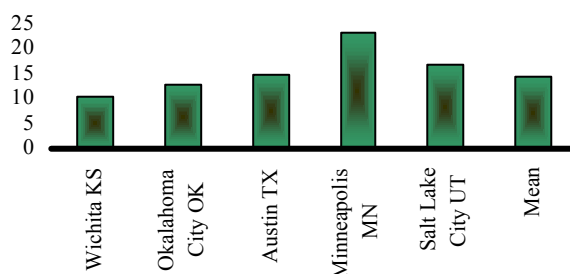


Risk management provided 6.29 hours of training per FTE to encourage safe work practices. Additional training, primarily in public safety, was provided directly by other departments bringing the total hours of training per FTE to 14.51 hours.

**Goal.** *To minimize personal injuries and property damage.*

Source of comparative information: *Comparative Performance Measures FY 2000 Data*, International City County Manager's Association.

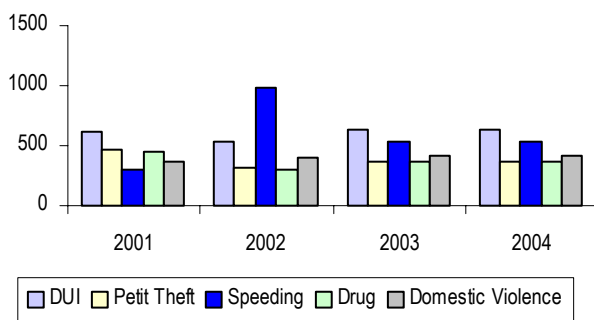
### Workers' Compensation Claims per 100 Employees



## Public Safety...

Public safety combines the services of the Law Department, which includes the prosecuting attorney's office; Municipal Court, which includes the public defender's office, probation services, and court clerk services; Fire Services, including fire suppression and fire prevention through education and Police Services, which includes community policing, traffic enforcement, investigation, laboratory services, and the special operations of the air service and warrants. Public Safety also includes the maintenance of the storm water drainage systems which consisting of the storm sewers, catch basins, and drainage-ways; and maintenance of the Wichita-Valley Center Flood Control project in accordance with standards established by the Army Corps of Engineers.

**Diversion Service Levels  
2001 - 2004**



### Law

The Law Department administers the City's diversion and deferred judgment programs while Municipal Court Probation monitors the progress of the participants.

**Goal.** To provide intervention and education that reduces the recidivism of domestic violence, alcohol and drug abuse, and speeding.

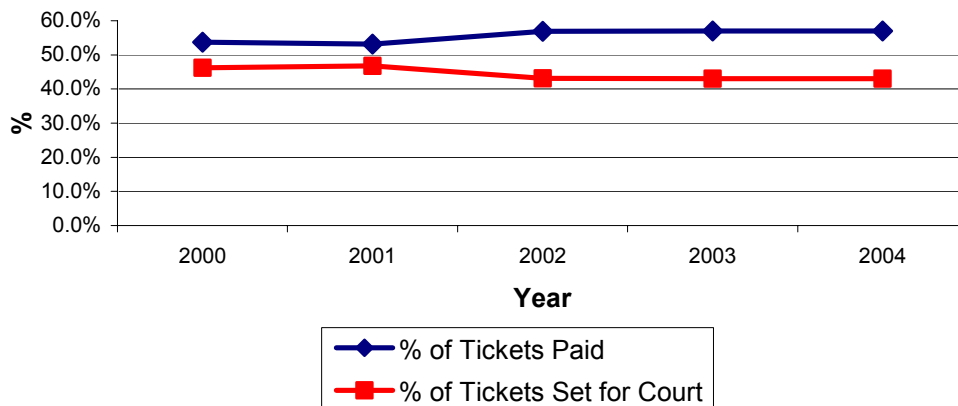
**The Law Department partners with the Municipal Court to justly adjudicate violations of municipal code in an efficient and respectful manner, striving to encourage positive behaviors.**

## Municipal Court

A majority of the cases set for court are traffic violations from police issued tickets. Since 1996, the percent of tickets set for court has steadily decreased while the percent of tickets paid with "no contest" has continued to show a steady increase.

**Goal:** To provide intervention and education that interrupts a cycle of domestic violence, alcohol, drug abuse and speeding.

**Number of Tickets Paid Compared to Number of Tickets Set for Court**





## CITY OF WICHITA

An efficiency indicator of adjudication is the average number of times a case is scheduled on a docket before being disposed. The number of continued cases is projected to decrease significantly, reducing the overall caseload.

**Goal:** To adjudicate violations of the municipal code fairly and impartially, and establish policies and practices to assist defendants in making payment and restitutions when appropriate.

Case Load Service Level Measures					
	2000	2001	2002	2003	2004
Cases Filed	34,033	31,617	34,626	35,670	36,000
Cases Disposed	35,815	35,083	35,217	35,990	36,000
Traffic Cases	15,689	14,158	15,911	16,000	16,500

## Fire

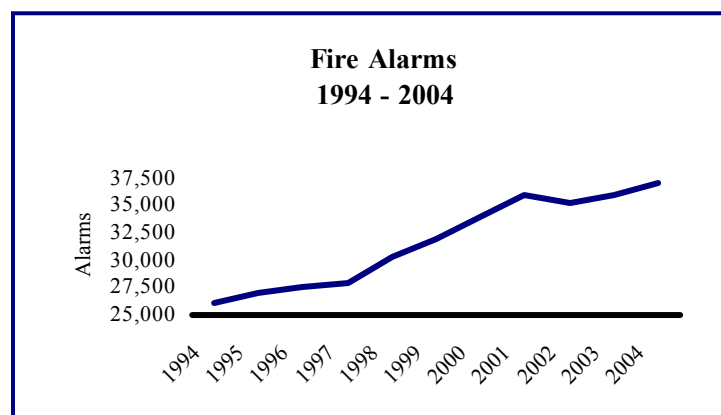
The Fire Department strives to minimize loss of life and property resulting from fires, medical emergencies and other disasters through prevention activities, education, aggressive fire suppression, and prompt response to medical calls. The aggressive nature of the Department's offensive fire attack strategy is shown by the large percentage of fires that are confined to the room of origin. Improvement in both indicators is expected as the City nears the end of its seven-year construction project that will provide two additional stations and relocate eight existing stations to provide services more efficiently.

Selected Performance Measures - Operations					
	2000	2001	2002	2003	2004
Average response time (min)	4.24	4.48	4.36	4.30	4.30
Percent of fires contained to room of origin	95%	91%	89%	90%	90%
Average dollar loss per fire in thousands	\$6.50	\$5.89	\$6.21	\$6.50	\$6.40
Number of blood pressure screenings	12,248	11,596	11,842	12,300	12,300

The fire department has experienced a three percent increase in alarm volume over the last three-year period. A sense of operational **efficiency** can be gained by observing the increase in alarm volume, while recognizing staff and response times have remained virtually unchanged in the last three years

### Goals:

- To maintain a response time of five minutes or less and contain fires in rooms of origin for 90% of the alarms.
- To minimize loss of life and property as a result of fire.
- To maintain a focus on fire safety in the community.



In 2002 the average response time was 4.36 minutes and 89% of the fires were contained in the rooms of origin.

## Police

The Police Department protects life and property in the City, striving to reduce the number of crimes per capita, and to reduce the response time when called. The Police attempt to locate and arrest suspects and to compile evidence supporting a successful prosecution.

**Goal:** *To reduce the response time by effectively staffing and configuring police resources.*

Through active enforcement of traffic laws, Police try to reduce the loss of property and life loss resulting from dangerous driving. Enforcement includes arresting suspected drunk drivers (enhanced by the DUI Enforcement Unit) and the ticketing of individuals violating traffic ordinances.

**Goal:** *Continually reduce the loss of property and life as a result of dangerous driving behaviors.*

### Selected Performance Measures - Field Services

	2000	2001	2002	2003	2004
Total UCR* Part 1** crimes per 1,000 pop.	66	69	71	69	69
Average response time of emergency calls	4.4	4.7	5.6	5	5
Total UCR property crimes per 1,000 pop.	61	62	64	62	62

\*Uniform Crime Reporting

\*\*Part 1 crimes include murder, rape, robbery, and assault

### Percent of Crimes Cleared

UCR part 1 crimes	26%	24%	23%	24%	24%
UCR violent crimes	66%	66%	68%	68%	68%
UCR property crimes	23%	19%	18%	19%	19%

### Selected Performance Measures - Traffic

	2000	2001	2002	2003	2004
Injury accidents per 1,000 pop.	9.25	9.58	8.71	8.50	8.50
Citations per 1,000 pop.	214	175	218	262	262
DUI arrests per 1,000 pop.	7.03	6.72	6.19	7.29	7.29

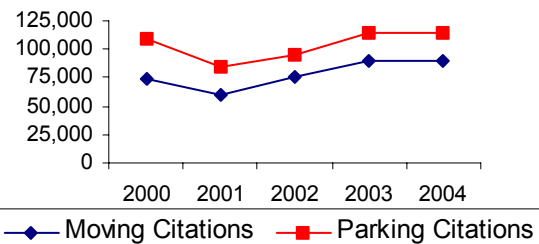
Annually, Police issue over 85,000 tickets. In addition, every year, over 23,000 parking tickets are issued.

**Goal:** *Enforce parking ordinances for the safety of drivers and pedestrians and the convenience of businesses.*

The Police Department accomplishes its mission by maintaining an experienced, diverse work force, representing all segments of the populations. In the past, the demographic make-up of the Police Department has mirrored that of the City as a whole.

**Goal:** *Maintain a trained and diverse workforce that can respect and understand the values of all cultures in the community.*

### Moving and Parking Citations 2000 - 2004



### Selected Performance Measures - Police Demographics

	1999	2000	2001	2002
Average years of experienced (commissioned positions)	8.4	8.5	8.3	8.5
Caucasian	81.8%	81.0%	82.0%	81.0%
African-American	9.6%	10.0%	8.8%	10.0%
Hispanic	5.3%	6.0%	6.0%	6.0%
Other	3.3%	3.0%	3.1%	3.0%
Female	10%	9%	10%	10%
Male	90%	91%	90%	90%

## Public Transportation...

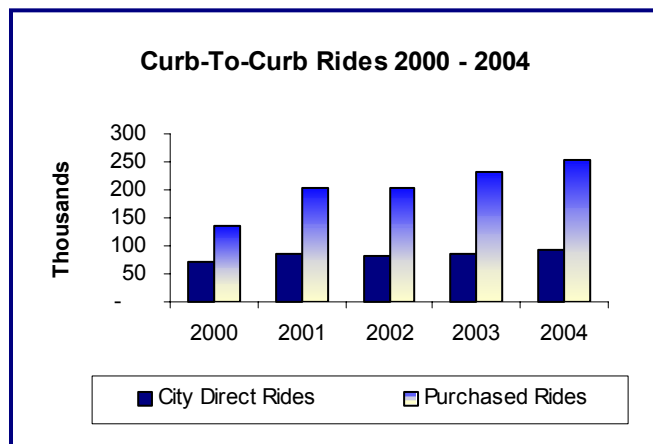
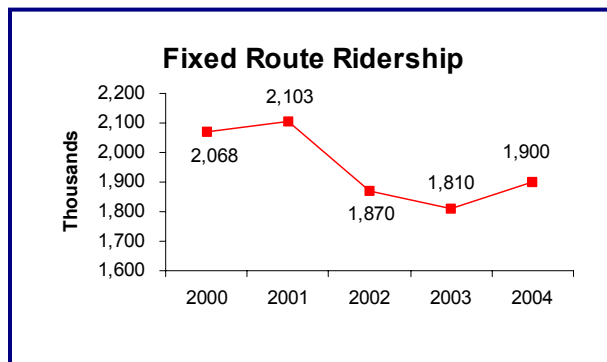
Public transportation services include fixed route bus service, fixed route with point deviation services, and curb-to-curb para-transit services on a pre-scheduled basis.

Fixed route ridership is a measure of community need, community economics, and the quality of service. Ridership declined in 1997 and 1998 due to a reduction of grant funds which caused a subsequent reduction in service.

Grant resources have since increased, providing opportunities to restore selected services and purchase new buses and van for more reliable service.

**Goal:** To offer convenient, courteous and time efficient services for increased ridership.

Percent of Trips on Time				
2000	2001	2002	2003	2004
83.90%	88.00%	89.00%	90.00%	95.00%



Curb-to-curb service is provided to citizens who cannot physically utilize fixed route service. Curb-to-curb service must be scheduled in advance and thus offers limited convenience.

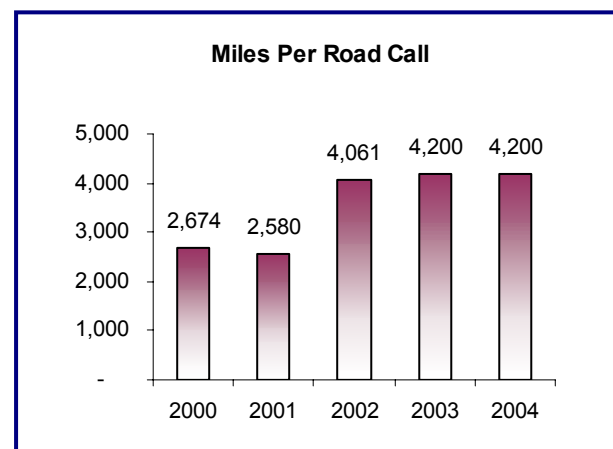
Each of the 39 new buses has wheel chair lifts offering increased transportation opportunities to many citizens. Many citizens currently requiring special van service will now be able to ride fixed route service.

**Goal:** To provide safe, courteous and timely curb-to-curb special transportation services to qualifying citizens in the service area.

A strong preventive maintenance program is paramount to having consistently reliable vehicles with which to provide consistently reliable service.

Preventive maintenance inspections are scheduled every 3,000 miles. The number of miles per road call is projected to increase significantly with new vehicles.

Vehicle Miles Between Inspections				
2000	2001	2002	2003	2004
3,232	3,000	2,927	3,000	3,000



## Infrastructure...

Services provided for under streets and highways include street construction, reconstruction, and maintenance, street lighting, traffic signal maintenance, snow removal; maintenance of the storm water drainage system consisting of the storm sewers, catch basins, and drainage-ways; and maintenance of the Wichita-Valley Center Flood Control project in accordance with standards established by the Army Corps of Engineers; and water and sewer services.

## Building Maintenance

The Building Services provides custodial, maintenance and repair services to City-owned buildings. Increases in custodial costs per square foot are driven by the labor-intensive nature of custodial services. The slight increase in maintenance costs is reflective of a function that requires fewer people, but more tools, equipment, and parts.

**Goal:** *Maintain the City's facilities in a state of clean and good repair, protecting and preserving the investment.*

**Goal:** *To make improvements to facilities when new technologies make the investment cost effective, while preserving the architecture as intended.*

### Selected Building Services Performance Measures

	2001	2002	2003	2004
Maint. costs per sq. ft.	\$0.48	\$0.48	\$0.55	\$0.58
Custodial costs per sq. ft.	\$1.34	\$1.52	\$1.55	\$1.57

## Street Sweeping

The street sweeping program not only improves the aesthetics of the City, but is crucial to maintaining compliance with the National Pollutant Discharge Elimination System (NPDES) permit. To reduce inconvenience to citizens, residential areas are cleaned during the day, while arterials and highways are cleaned at night. The increase in residential sweeping shown in the chart is offset by the reduction in arterial sweeping. Due to the much greater volume of residential streets the increase in residential sweeping appears to be graphically less than the impact.

**Goal:** *To sweep at least two times a year in areas with heavy pedestrian traffic and near the river in downtown area.*

**Goal:** *To maintain sweeping cycles at a level that meets or exceeds NPDES runoff standards.*

### Street Sweeping Major Service Levels

Number of Cycles	2001	2002	2003	2004
Residential sweepings	2.2	3.2	3	3
Arterial sweepings	11	11	8	8
Downtown sweepings	139	139	120	120

## Storm Water

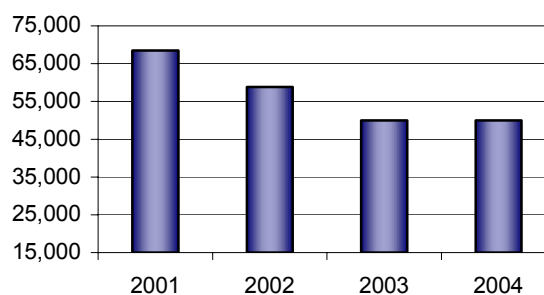
The storm sewer inlet cleaning is generally the most effective way to maximize storm water flow in existing lines.

**Goal:** *Maintain clean outlets to allow the maximum volume of water to enter the system quickly.*

### Selected Storm Water Major Service Levels

	2001	2002	2003	2004
Miles of storm sewers cleaned	138	241	150	150
Inlets cleaned	68,457	58,807	50,000	50,000
Manholes and inlets repaired	216	167	250	250

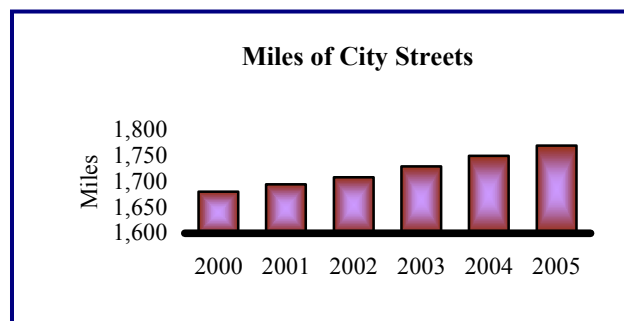
### Storm Sewer Inlets Cleaned



## Street Maintenance

The number of miles of City streets has grown in recent years, due to annexation and new development. As the City's network of streets has enlarged, so has the need for maintenance.

**Goal:** Reduce the number of emergency pothole repairs and increase the number of more permanent pavement replacement repairs.



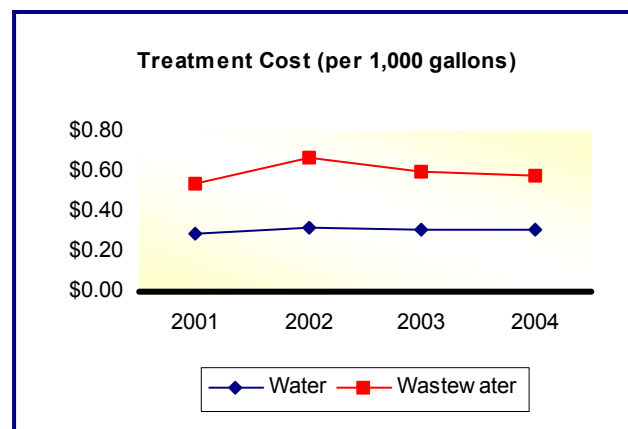
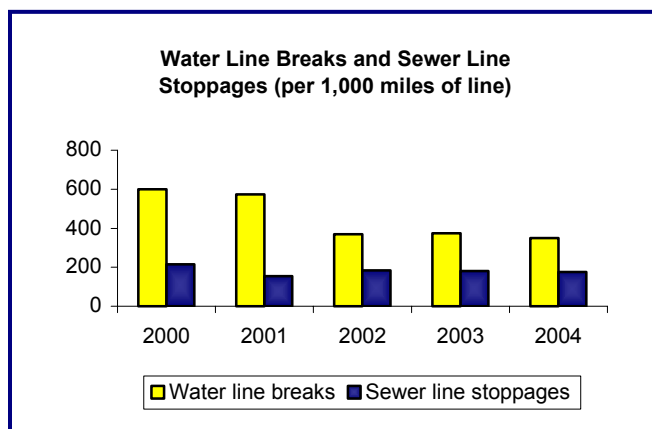
Selected Street Maintenance Major Service Levels				
	2001	2002	2003	2004
Potholes patched	68,814	41,879	60,000	60,000
Permanent pavement repairs (sq. yds.)	41,348	27,205	23,000	23,000

## Water and Sewer

The Water and Sewer Department provides potable water and sanitary sewer service to customers in the Greater Wichita area. Perhaps the most basic measure of the quality of this service lies in the cost of treating water and disinfecting wastewater.

As the water and sewer system infrastructure ages, and particularly as the system weathers high-stress periods such as peak water demand in dry conditions, line breaks and sewer stoppages can occur in more vulnerable areas of the system. Incidence of such system failures can act as a "barometer" of overall system integrity.

**Goal:** To provide high quality water that meets or exceeds all standards without interruption to the customers.



Selected Maintenance Performance Measures Per 1,000 Line Miles				
	2000	2001	2002	2003
Water main breaks	600	573	369	375
Sewer stoppages	215	154	184	180

Selected Operations Performance Measures Per 1,000 gallons					
	2001	2002	2003	2003	2004
Water treatment cost	0.29	0.32	0.31	0.31	0.31
Sewer treatment cost	0.54	0.67	0.60	0.41	0.58



## Culture and Recreation...

Community based services include library outreach programs in addition to the network of library facilities, park green space, playgrounds, athletic fields, swimming pools, recreation centers, bike paths, physical fitness classes, dance, arts and crafts, athletic programs for all ages, various youth based programs, and municipal golf courses. The Wichita Art Museum, the Boathouse, the Wichita Historical Museum, and the gardens of Botanica are also key elements of the City's culture and recreation program.

### Park

The City provides recreational opportunities to all citizens. Opportunities range from free activities (picnic areas in park) to activities for which a fee is charged.

**Goal:** Provide affordable recreational opportunities for citizens while optimizing cost recovery.

#### Selected Performance Measures

	2000	2001	2002	2003	2004
Cost recovery – recreation centers	35.0%	31.0%	27.5%	28.8%	28.8%
Cost recovery – swimming pools	47.4%	58.0%	56.7%	53.6%	53.6%

### Century II/Expo Hall

Managed by the Park Department, Century II and Expo Hall, the regional convention center, hosts a wide variety of events annually.

**Goal:** Provide quality floor space and services to attract convention and trade shows, augmenting the community's tourism and convention master plan.

#### Selected Performance Measures -- Century II/Expo Hall

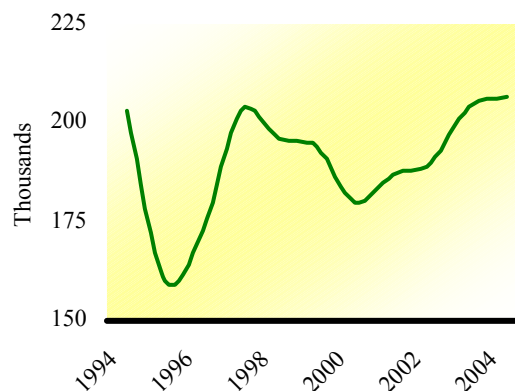
	2002	2003	2004
State conventions hosted	18	14	14
Attendance at state conventions hosted	37,250	37,100	3,800
Event days hosted for state conventions	66	57	57

### Golf

The City operates five 18-hole courses to provide golf recreation to Wichita citizens. The Golf system offers affordable golf opportunities for golfers of varying skills at affordable prices.

**Goal:** Provide affordable golf opportunities for citizens of all ages and skill levels.

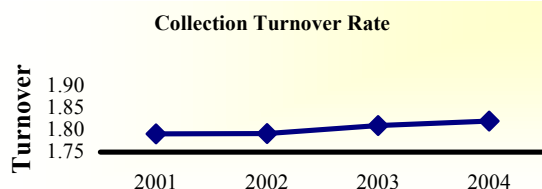
#### Golf Systems Rounds Played 1994 - 2004



## Library

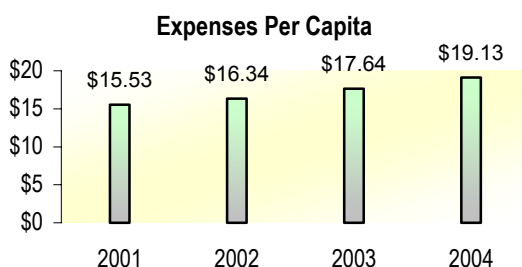
As a public entity, the Library pledges to provide equitable access to information for the citizens of the greater Wichita area. The institution is responsive to the community's changes, interests and needs, and also pledges to respect the diversity of its patrons.

The collection turnover rate indicates the health and pertinence of the library collections. An increasing number, the more relevant the collections are to the library patron's needs. This measure is expected to improve through newer branches with larger, more appealing collections.



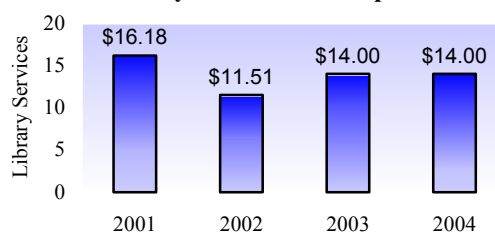
**Goal:** Provide library materials and services develop and enhance collections designed to meet the needs of the

Services per capita measure service levels, circulation, reference, in-house use, and electronic access. Beginning in 2002, the method used to count valid hits on the library's web site was changed to eliminate artificial growth caused by pop-up advertising pages, even though all other parts of electronic access continued to rise. This measure indicates a progressive improvement due to use of electronic resources and public internet access.



**Goal:** Provide quality library services with committed funding.

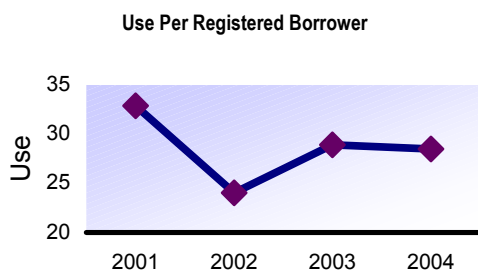
### Library Services Per Capita



**Goal:** Continue to expand the use of electronic resources in the future years.

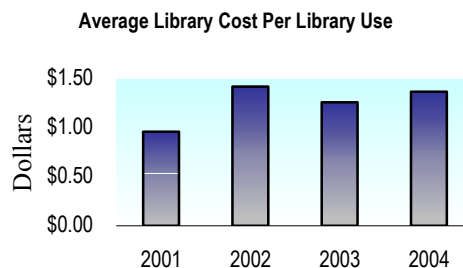
Expense Per Capita indicates increase community support for library services. The increase reflects the City's continued commitment to delivering quality library material to its citizens.

The average cost per patron is an efficiency measure. The introduction of complete Internet services in 1997 and expansion of that access in 2000 had a very positive impact on Library use. The cost per item is projected to increase slightly due to the increased electronic service delivery.



**Goal:** Promote Library's presence in the community by actively marketing library materials and services.

Use per registered borrower rate is a measure of the library's service level use by Library's registered patrons. The drop in Web stats hurts this measure in the short term and Library expects a rebound in 2003, however there seems to be an upper limit on how it can expand.



**Goal:** Provide cost effective library services per patron.

## Health and Housing...

Health and Welfare includes regulatory oversight and inspection of food establishments; investigation of neighborhood health issues; animal control; monitoring of air and water quality; and enforcement of environmental codes and ordinances, including collections and disposal of hazardous materials. The administration of two trusts dedicated to the remediation of groundwater contamination is a component of health and welfare as well as the administration and enforcement of codes and ordinances relating to building construction, zoning and regulatory licensing.

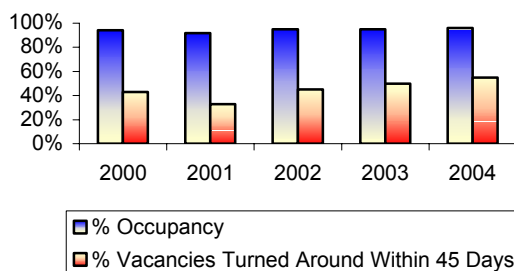
### Housing

The key measure for performance in housing assistance is occupancy. Higher occupancy rates indicate that service dollars are targeted toward residents in need in the most efficient manner possible. The Wichita Housing Authority (WHA) owns and operates low-income housing properties.

#### Selected Performance Measures

	2000	2001	2002	2003	2004
Occupancy %	94.1%	91.8%	95.0%	95.0%	96.0%
% of units ready for new lease in 45 days	43.0%	32.9%	45.0%	50.0%	55.0%

#### Public Housing Occupancy



**Goal:** Meet or exceed the program targets established by the U.S. Department of Housing and Urban Development.

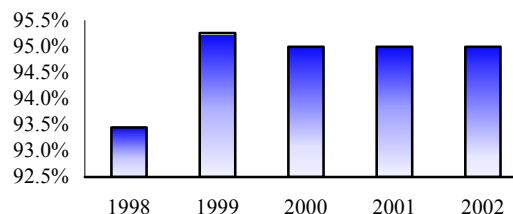
**Goal:** Ensure citizens have access to affordable and safe housing.

### Environmental Health

The Environmental Health Division protects the public health and environment by enforcing environmental and safety codes. One of the most visible and direct examples of such service is the **Food Protection** program, which seeks to ensure that area food service providers maintain a safe and hygienic operation.

**Goal:** Minimize the threat of food-borne illness or contamination through the Food Establishment Inspection Program and through the Food Handlers Classes.

#### Food Establishments with "A" Rating



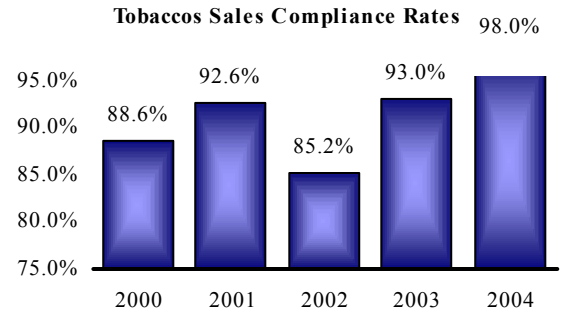
#### Food Safety Instruction Attendance

	2000	2001	2002	2003	2004
Food Safety Instruction attendance	3,723	3,685	5,189	5,700	5,700
Food Safety Instruction-Special classes	1,027	774	4,575	4,200	4,200
<b>Total Instruction attendance</b>	<b>4,750</b>	<b>4,459</b>	<b>9,764</b>	<b>9,900</b>	<b>9,900</b>

## CITY OF WICHITA

Increased focus has been given to **tobacco sales compliance**, that is, enforcing the state law that prohibits tobacco sales to minors. The stepped up enforcement efforts of the recent years has resulted in measurable success.

**Goal:** Continually improve the compliance rate, striving for 100% compliance.



The 2002 Revised Budget placed a greater emphasis on the **overall appearance** of the City and bringing unsightly and unsafe properties into compliance with City ordinances.

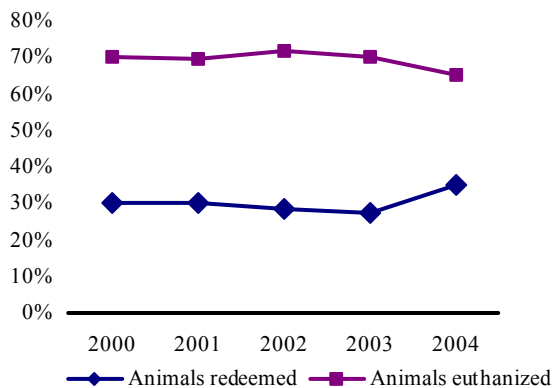
More properties will be brought into compliance through a city-wide effort to report unsafe conditions to the Environmental Health Department for remediation and abatement.

### Selected Service Levels - Lot Mowing and Cleanup

	2000	2001	2002	2003	2004
Lots mowed	964	772	1,237	1,500	1,500
Lots cleaned	173	169	430	500	500

**Goal:** To improve the appearance of the City and the safety of the neighborhoods.

### Animal Control Performance Measures



The **Animal Control** Division of Environmental Health enforces ordinances and laws related to the health and welfare of animals. Through partnerships with other community agencies and education programs, Animal Control has been successful in increasing the number of redeemed animals.

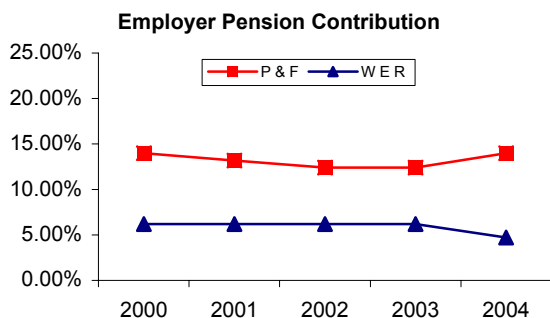
**Goal:** To reduce the unwanted animal population and increase the animal redemption and adoption rate.

### Selected Performance Measures - Animal Control

	2000	2001	2002	2003	2004
Animals admitted	10,146	9,258	9,900	8,350	8,000
Animals redeemed	30.0%	30.4%	28.3%	27.3%	35.0%
Animals euthanized	70.0%	69.5%	71.8%	70.0%	65.0%

## Organizational Services...

Organizational services support the activities of all departments and include the management of information systems; such as office automation, document imaging, and geographic information systems internet services; telecommunication systems; stationery stores; and fleet and building services. In addition, administration of the pension funds and the self-insurance funds provide internal support to all departments alike.



**Goal:** To provide for the retirement benefits of employees and to ensure the pension funds meet or exceed benefit obligations.

Employer contributions are established annually on the actuarial condition of the funds. In the past, due to the investment returns significantly above the goal, employer contribution rates (as a percentage of payroll) have declined.

### Pension Fund Performance Statistics

	2000	2001	2002	2003	2004
Fund return	-2.01%	-4.42%	-11.70%	7.75	7.75
P&F Contribution	14.00%	13.20%	12.40%	12.40%	14.00%
WER Contribution	6.20%	6.20%	6.20%	6.20%	4.70%

**Goal.** The goal is 7.75 percent annual rate of return on investments.

## Fleet

Funded by the Fleet and Buildings internal service fund, Fleet Maintenance is responsible for the operation and maintenance of 1,897 automobiles, light trucks, heavy trucks, and heavy equipment used by nearly all City departments.

**Goal.** To provide reliable vehicles and equipment for City Departments in a cost effective manner.

### Selected Fleet Maintenance Performance Measures

	2001	2002	2003	2004
Maintenance cost per mile	\$0.18	\$0.19	\$0.20	\$0.20
Fuel cost per mile	\$0.10	\$0.11	\$0.16	\$0.16

## Central Stores

A component of both Fleet and building services is management of the Central Stores that provides routinely used parts and supplies.

### Selected Central Stores Performance Measures

	2001	2002	2003	2004
Inventory turnover ratio	5.0	5.0	5.0	5.0
Monthly transactions per full time employee	1,361	1,500	1,500	1,500